

Comprehensive Plan Economic Development Element

Proposed Amendments

DELETIONS

ADDITIONS

700 Overview 700

700.1 The Economic Development Element addresses the future of Washington, DC's ~~the District's~~ economy and the creation of economic opportunity for current and future District residents. It includes strategies to sustain ~~Washington's~~ the District's major industries, diversify ~~our~~ the economy, accommodate job growth, maintain small businesses and neighborhood commercial districts, and increase access to employment for District residents. 700.1

700.2 The critical economic development issues facing ~~the District of Columbia~~ Washington, DC are addressed in this ~~element~~ Element. These include:

- Seeking to ensure that prosperity is equitably shared by addressing the disparities that exist across race and geography;
- Growing and diversifying Washington, DC's economy;
- ~~Defining the District's role in the national and regional economies~~
- Increasing career job opportunities and the workforce development system's effectiveness for ~~District~~ residents most in need;
- ~~Identifying locations for future job growth~~
- Expanding opportunities for small, local, and minority businesses; and
- Responding to the impacts of technological advancements on employment and businesses.
- ~~Enhancing and revitalizing the city's shopping districts.~~ 700.2

700.3 Since the Comprehensive Plan was adopted in 2006, Washington, DC has achieved success in:

- Growing the tax base;
- Increasing jobs across a wide range of industries;
- Catalyzing economic development through reuse of large sites across the District;
- Improving the District's market position in the regional economy;
- Revitalizing commercial corridors;
- Expanding workforce development programs that prepare residents for in-demand occupations;
- Increasing support for entrepreneurs, including greater access to capital;
- Deploying creative placemaking initiatives that advance community building, urban design, and retail revitalization;
- Attracting, nurturing, and retaining growth in innovation-driven fields; and

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- Growing local industries in the maker economy.

Data included in this Element precede the 2020 public health emergency. While the District's economic position may be substantially affected in the early 2020's, the District anticipates that economic trends highlighted in this chapter will hold in the long-term along with the policies contained in this chapter, which are designed to guide the District through both growth and recession cycles. 700.3

700.4

Since 2006, Washington, DC's economy has expanded and diversified with growth in a range of sectors across the central employment area and along commercial corridors. Additionally, the District has been a national epicenter in the changing nature of work, where the increasing prevalence of teleworking, independent contracting, and gig work has increased commercial activity in both formal and informal workspaces. As a result, the District's economy has become strong, benefitting from sustained growth, which generates a tax base that balances costs with revenue. However, the District's economic growth has contributed to increases in property values that present challenging barriers for both established and emerging businesses, which can be particularly severe among small businesses. Additionally, more work remains to ensure that all residents have access to retail, commercial facilities and job opportunities with career pathways. The District is striving to ensure that all residents are able to enjoy the benefits of economic growth in the District and the region. 700.4

700.35

Economic development is about more than simply increasing the number of jobs and improving the District's finances. It is also about ensuring that all residents have opportunities to thrive economically. This means fostering good-quality jobs with career paths to higher wages and connecting more residents to those good-quality jobs through better preparation ~~better preparing District residents to fill those jobs.~~ This is especially true for residents who have traditionally faced greater challenges accessing the benefits of economic growth, such as low-income and minority residents. Economic development ~~It is about spreading harnesses~~ the benefits of ~~the our~~ strong regional economy ~~more equitably to grow the District's economy equitably. and providing career advancement opportunities for working parents, young adults, and others.~~ Economic development strategies are also critical to improving the quality of life in ~~our~~ neighborhoods, and bringing retail, shopping, restaurants, and basic services to communities that ~~do not have~~ are underserved by these amenities today. 700.35

700.46

~~In recent decades~~ Prior to 1998, the District ~~has~~ faced chronic negative economic trends that ~~have~~ limited its ability to meet the needs of many residents. These trends ~~include~~ included population loss, job decline, high unemployment and poverty rates, fiscal insolvency, and the loss of spending power to the suburbs.

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~~Economic indicators also point to growing geographic disparities, with areas in the northwest portion of the city particularly advantaged and areas east of the Anacostia River particularly disadvantaged. While there have been positive signs on many fronts since 2000, deepened. As of 2019, Washington, DC, is financially healthy and experiencing sustained population and job growth. However,~~ the historic east-west **socio-economic** divide in the **District** ~~city~~ **has become more stark. While many neighborhoods are becoming more diverse socio-economically, the lowest-income residents—who are predominately Black—have become increasingly concentrated in many southern and eastern communities. In addition, the same residents are more likely to have lower levels of education, which corresponds to much lower labor force participation and higher unemployment rate.** 700.46

700.5 ~~In 1950, the District accounted for nearly 75 percent of the metropolitan area’s employment. By 2000, it accounted for less than 25 percent. While these statistics appear startling, the real story is the growth of the regional economy rather than the decline of the District’s. In fact, the number of jobs in the District has remained fairly constant over the decades. In 1980, there were 666,000 jobs and in 2000, there were about 672,000 jobs. As shown in Figure 7.1, employment in the District did decline from 1990 to 1998, but it has been growing ever since.~~ 700.5

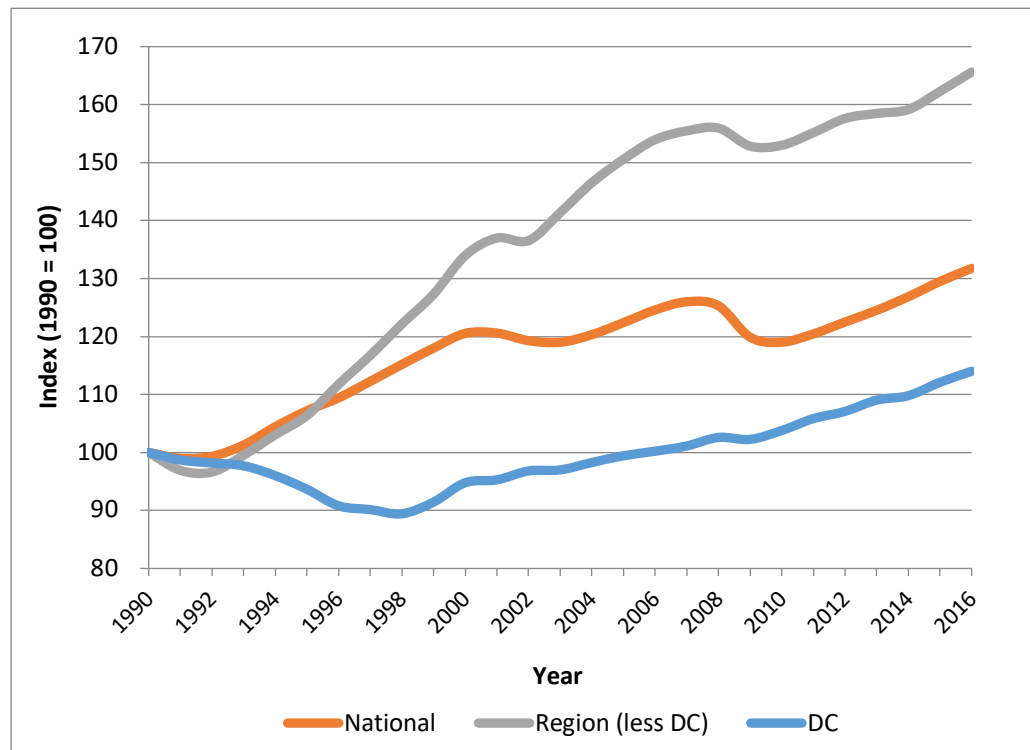
700.7 **In 1950, Washington, DC accounted for nearly 75 percent of the metropolitan region’s jobs. By 2000, the District’s share of the region’s jobs had fallen to less than 25 percent. Figure 7.1 depicts a new wave of job growth that began in 1998. This wave increased the number of jobs in Washington, DC by 126,000—from 672,000 in 2000 to 798,000 by 2015. Much of this growth occurred in the recovery from the 2008 recession, when the District’s net employment growth increased from an average of 7,000 jobs per year to over 10,000 jobs per year. As a result of this growth, the District has begun regaining a larger share of the metropolitan region’s total employment. By 2018, Washington, DC accounted for approximately 30 percent of the metro area’s jobs. This is an important economic shift following the 1980s and 1990s, when the District experienced little to no job growth.** 700.7

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700.8

Figure 7.1: Employment in Washington, DC ~~the District~~ **700.8**



Source: BLS, DC Office of Planning, 2016

Note: Chart shows employment indexed to its 1990 value. Each subsequent value is a percentage of the 1990 value.

http://planning.dc.gov/planning/frames.asp?doc=/planning/lib/planning/2006_revised_comp_plan/7_econdevelopment.pdf

700.79

~~The economic paradoxes of the District of Columbia have been widely documented.~~ The ~~city~~ **District** has more jobs than residents but still has an unemployment rate that is ~~twice~~ **more than 50 percent higher than** the regional average. Jobs in the District provide some of the highest wages in the country, but over ~~20~~ **16** percent of the ~~city~~**District's** residents live below the poverty line. The region ~~has the fastest annual job growth rate in the country (2.3 percent);~~ **has had strong and sustained economic growth, adding an average of more than 41,000 jobs a year since 2000.** ~~Yet~~ **Despite sustained job growth locally and regionally, many District residents continue to face long-term unemployment due to persistent gaps in skills and education.** ~~in the city is rising.~~ **Additionally,** billions of dollars of income are generated in the District, the majority of which the ~~city~~ **District** is unable to tax because its earners live in other states. **This limitation adds to the District's challenge harnessing its economic growth to invest in residents with the greatest need.** **700.79**

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- 700.810 Fortunately, ~~some many~~ of the negative trends of the past ~~are showing signs of reversal~~ **have begun to reverse course.** ~~Between 2000 and 2005, the District captured a much larger share of regional employment growth than it did in the 1980s and 1990s. It~~ **Washington, DC is reasserting its position** ~~positioned~~ at the center of ~~a the~~ regional economy, **which had the fifth greatest number of jobs in the country in 2017, with more than 3.2 million jobs.** ~~that is strong and growing; total employment in the metropolitan area is approaching 3 million. ,the highest of any region in the country with a comparably-sized central city.~~ Since 1997, the District has seen significant private-sector employment growth, particularly in ~~high-value~~ industries **that generate large amounts of secondary employment through business-to-business transactions that facilitate the delivery of goods and services to customers such as legal services, technology consulting, and similar sectors.** ~~The growth has occurred in industries that also have higher than typical average compensation, such as architectural and engineering services, advertising, and public relations. This generates notable indirect employment growth through consumer spending in sectors such as accommodations and food services. It is outperforming the region in legal services and scientific research and development.~~ 700.810
- 700.911 The District's ~~recent~~ **rapid and sustained population** ~~housing boom and growth~~ **has contributed to increase higher in** property values ~~has and~~ increased personal wealth for many long-time District homeowners. ~~The growth has also and substantially enhanced~~ **alleviated the District's financial limitations through increased tax-city revenues.** ~~For example, adjusted for inflation, the value of all the commercial properties in the District more than doubled between 2006 and 2018, which contributed to an 85 percent increase in commercial property tax assessments over that period.~~ 700.911
- 700.12 **In addition, downtown retail** ~~has begun to rebound rebounded after years of decline following steep declines in previous decades;~~ and neighborhood **commercial shopping** districts like U Street NW, 14th Street NW, and Barracks Row ~~also rebounded~~ **are thriving again.** After decades in which retailers shunned areas east of 16th Street NW, new ~~supermarkets~~ **retail and fresh food options** are being developed **in the eastern half of the Washington, DC, including in Wards 7 and 8 east of the Anacostia River;** national/brand tenants are ~~clustered arriving~~ **clustered** in Columbia Heights **and Fort Lincoln;** and ~~a thriving commercial and cultural district is emerging~~ **has emerged** along H Street NE. 700.12
- 700.13 Tourism ~~has also~~ rebounded; **in 2017 the District hosted nearly 23 million visitors. Those visitors were accommodated by a growing supply of hotel rooms, totaling 32,000 rooms in 2018, with 2,500** ~~since 2001 and 1,200 hotel rooms~~ **additional rooms** under construction **and another 6,100 in pre-development.** **The sustained expansion of hotel rooms is particularly notable because it has coincided with the introduction of short-term rental housing options, which significantly increased lodging options for visitors.** 700.913

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700.1014 ~~By 2045. Over the next twenty years,~~ the District is projected to add ~~125,000~~ **247,100** jobs. ~~The~~ **One of the most significant economic challenges** ~~single greatest economic development challenge facing the city~~ will be ~~to link~~ **filling** more of these jobs ~~to~~ **with** District residents. This will not only create wealth and opportunity within **Washington, DC** ~~the city~~, it will offset commuter traffic, reduce social service expenses, and improve the quality of life for thousands of households. Confronting this challenge successfully will require a multi-pronged strategy to **continue improving** ~~improve the~~ ~~our~~ educational system, **increasing** ~~increase~~ **career vocational** training, **strengthening** ~~strengthen~~ workforce preparedness, **growing partnerships with employers**, and **improving** ~~improve~~ the regional transportation network to support job access. 700.1014

701 Economic Development Goal **701**

701.1 The overarching goal for economic development in the District is: **to drive inclusive economic expansion and resilience by growing the economy and reducing employment disparities across race, geography, and educational attainment status.** ~~Strengthen the District's by sustaining its core industries, attracting new and diverse industries, accommodating future job growth, fostering the success of small businesses, revitalizing neighborhood commercial centers, improving resident job skills, and helping a greater number of District residents find and keep jobs in the Washington regional economy.~~ 701.1

702 ED-1 Defining ~~Our~~ **the** Economic Future **702**

702.1 The District's economy is underpinned by a handful of "core" industries, including government (particularly federal government); ~~education~~ **educational services**; professional, **technical, and scientific** services; administrative support services; **religious, grantmaking, civic, professional, and similar organizations**; ~~membership associations~~; **accommodation and food services**; **arts, entertainment, and recreation**; ~~tourism~~; and health care **and social assistance**. These ~~eight~~ ~~seven sectors~~ **industries** account for **more than 85 percent** of ~~the~~ jobs in ~~the city~~ **Washington, DC** and distinguish the District's economy **in the regional and national economies** ~~from the more diverse economies of the surrounding region and nation~~. Economic development strategies must explore ways to sustain these industries while leveraging them to attract new businesses and jobs. Diversifying the economic base **through focused support of fields with high-growth opportunities** can expand job opportunities for residents and can **increase the District's resilience against** ~~help the District fare better during~~ economic downturns. 702.1

702.2 The **District's** ~~city's~~ economy is **diversifying, but it is still** dominated by the government sector. More than **30 percent** ~~one-third~~ of the jobs ~~in the city~~ are public sector jobs, with the federal government **directly** accounting for

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approximately ~~28~~ 26 percent of total employment, and local government jobs ~~with District of Columbia agencies~~ accounting for approximately five percent ~~in 2016~~. The federal government generates ~~is also directly or indirectly responsible for~~ many of the District's private-sector jobs because it spends heavily on contracting and procurement from local businesses. 702.2

702.3 In the 1980s, federal procurement spending emerged as a major component of the federal government's budget as an approach to reduce its workforce by outsourcing work to contractors on a competitive basis. Federal procurement spending in the metropolitan region increased steadily between 1980 and 2010, when it peaked at \$81.5 billion in 1996 after exceeding spending on the federal payroll. Since 2010, federal procurement in the region has declined by approximately 10 percent. However, most of the regional decline has been to spending in Virginia. As of 2016, procurement spending in the District has remained flat since 2010 at \$20.5 billion. Additionally, the federal government's employment in the District grew by only three percent, from 192,800 employees in 2006 to 199,300 employees in 2016. The DC Department of Employment Services' (DOES) industry projections indicate that the federal government is not likely to increase its employment in Washington, DC between 2016 and 2026. 702.3

702.4 These trends of flat or declining federal employment and procurement in the District are significant, because historically federal spending and employment have accounted for the overwhelming majority of the region's economic growth. This shift marks a major economic transition following generations of sustained growth propelled by the federal government's operations. ~~This has always been the case in Washington, but has become even more so since the federal downsizing of the 1990s. As government employment declined during the 1990s, private employment growth was fueled by government outsourcing and contracting.~~ 702.24

702.35 Table Figure 7.2 shows the District's top 20 private industries ~~industry sectors in 2004~~ 2017 ranked by numeric change in jobs between 2004 and 2017 using 3-digit NAICS codes. These 20 industries represent 57 percent of all jobs in the city, and 87 percent of the private sector jobs. Over this period, employment has grown dramatically but the same industries still dominated the District's economy, representing 60 percent of all jobs and 89 percent of private sector jobs in the District. 702.35

702.6 Table Figure 7.2: 20 Largest Private Sector Industries in the District of Columbia; 2004; 2004–2017 Ranked by Total Employment Change 702.46

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NAICS Code	Industry	2004	2017	Numeric Change	Percent Change
722	Food services and drinking places	30,483	52,577	22,094	72.48%
541	Professional, scientific, and technical services	93,841	116,041	22,200	23.66%
813	Religious, grantmaking, civic, professional, and similar organizations	44,078	57,548	13,470	30.56%
611	Educational services	35,798	45,892	10,094	28.20%
621	Ambulatory health care services	10,215	20,479	10,264	100.48%
622	Hospitals	22,466	26,917	4,451	19.81%
561	Administrative and support services	41,415	46,387	4,972	12.01%
624	Social assistance	10,696	13,809	3,113	29.10%
238	Specialty trade contractors	5,963	8,490	2,527	42.38%
531	Real estate	9,301	11,661	2,360	25.37%
445	Food and beverage stores	5,483	7,917	2,434	44.39%
711	Performing arts, spectator sports, and related industries	2,759	4,936	2,177	78.91%
812	Personal and laundry services	5,915	7,965	2,050	34.66%
623	Nursing and residential care facilities	7,372	7,482	110	1.49%
814	Private households	4,315	5,216	901	20.88%
515	Broadcasting, except internet	4,374	5,234	860	19.66%
721	Accommodations	14,795	15,111	316	2.14%
999	Unclassified	6,106	2,151	-3,955	-64.77%
522	Credit intermediation and related activities	8,529	7,209	-1,320	-15.48%
511	Publishing industries, except internet	9,180	5,563	-3,617	-39.40%
All other private sector Jobs		54,339	56,188	1,849	3.40%
Total <u>private employment</u>		429,176	524,773	95,597	22.27%

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Private Employment

Source: U.S. Bureau of Labor Statistics, Covered Employment and Wages (CEW) series; DC DOES Current Employment Survey (CES) series

NAICS = North American Industry Classification System

Note: Total retail employment (which is comprised of several NAICS industries) is estimated at ~~20,000~~ 17,500

702.57 ~~The District's~~ **Washington, DC's** largest private-sector industry—~~accounting for more than one in five private-sector jobs~~—is ~~P~~professional, scientific, and ~~T~~technical ~~S~~services, which accounted for approximately 30 percent of the District's private sector employment in 2017. This category includes lawyers, architects, engineers, and accountants consultants. The second-largest category, religious, grantmaking, civic, professional, and similar organizations ~~Membership Associations and Organizations~~, includes the many industry, trade, and interest groups in the ~~city~~-District. The food services and drinking places industry had among the greatest numeric and percentage increases in employment between 2004 and 2017. The industry added over 22,094 jobs, jumping from the District's fifth-largest industry by employment in 2004 to the third-largest in 2017. Close behind are Administrative and Support Services which include all manner of services supporting the office sector, from secretaries to janitors. Other key sectors are ~~Educational Services (8.3)~~ educational services and ambulatory health care Hospitals, which added 10,264 and 4,451 jobs, respectively. (5.2 %). ~~The tourism "cluster", includes Food Services and Drinking Places, which together account for over 10 percent of private sector employment.~~

702.7a **Text Box: The Sharing Economy**
The sharing economy, which includes businesses that provide shared-use goods and services such as mobility, housing, workspace, and equipment, is expanding and driving innovation in business practices across numerous industries. Its most visible impact has been on transportation through services, such as car sharing, on-demand ride hailing, and bike sharing. It also includes business cooperatives, community farms, and membership workspaces. 702.7a

702.7b The sharing economy has the potential to reshape the District's built environment and infrastructure by shifting where work occurs and how people move. However, many of the people who deliver the goods and services in the sharing economy are employed as independent contractors.

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and there are significant concerns related to worker compensation, benefits, retirement planning, and career stability. 702.7b

702.68 ~~The number of jobs in the District has been growing at the rate of about one percent a year since 2000, with a net gain of 32,000 jobs between 2000 and 2005. In 2006, forecasts by~~ According to the District Department of Employment Services DOES and research organizations like including the Center for Regional Analysis at George Mason University, anticipated the District would add this ~~rate of growth will continue for the next 10 years. About approximately 7,000 new jobs a per year on average are anticipated between 2005 and through 2015. Beyond 2015, the pace is expected to slow to about 5,000 new jobs a year. These forecasts accurately projected the total amount of jobs that were created across this period. 702.68~~

702.9 The DC Office of Planning (OP) anticipates job growth to maintain a long-term average of approximately 9,000 per year through 2035. Based on available data, OP's long-term growth rates balance cycles of rapid growth against periods of economic contraction. DOES expects nearly all sectors of the economy are projected to grow during the next decade, but certain retail segments closely connected to neighborhood commercial corridors—such as clothing, furniture, and electronics—are forecast to contract. These contractions are associated with the rise of online retailing. 702.69

703 ED-1.1 Stabilizing and Diversifying Our the Economic Base 703

703.1 The District can do more to leverage the strengths of its economy and the region's skilled, ~~and~~ highly educated labor force. It already has an enviable mix of assets that includes the nation's~~national~~ capital, high-performing industries, numerous colleges and universities, amenity-rich neighborhoods, and a robust multimodal transportation system that links the entire metropolitan region. To increase its competitiveness ~~within the regional economy~~, the District will need to further diversify its economy in sectors that have growth potential ~~and/or are underperforming. 703.1~~

703.2 The District's economic growth strategy emphasizes sustaining established industries as well as growing and supporting six cross-cutting industry clusters. Several industries that do not appear in Table 7.1 may become more important to the District's economy in the future. For example, Supporting and enhancing core industries facilitates future growth that strengthens the District's competitive advantage. the District has a burgeoning "knowledge" economy. Established fields include comprised of the federal government, professional services, universities, think tanks, broadcasting, publishing, internet media and communications companies, hospitality and tourism providers, and data processing design firms. The District is already outperforming the region in many of these industries and it can and should do more to enhance their

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~~competitiveness in the future. Expanding knowledge-based industries can position the District to capture a larger share of federal “spin-off” benefits, particularly given its already strong competitive edge in the technology sectors.~~ 703.2

703.3

Beyond the established fields, the District will also build economic resilience by supporting and growing cross-cutting industry clusters where the District has a competitive advantage nationally. Economic resilience is the ability for the District government, in partnership with businesses and the workforce, to mitigate the impacts of chronic stressors (such as high unemployment) as well as shocks (such as the sudden loss of economic activity due to a recession or technology changes). The clusters include the impact economy, smart cities and civic solutions, professional services innovation, hospitality innovation, security technology, as well as data science and analytics. By supporting these forward-looking industry clusters, the District is seeking diversify its economy. 703.3

See also the Infrastructure Element for additional information on smart cities.

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703.4

Figure 7.3 Cross-Cutting Industry Clusters Identified by the 2016 DC's Economic Strategy 703.4

(certified as the Comprehensive Economic Development Strategy or CEDS by the U.S. Economic Development Administration in August 2017)



Impact Economy

Organizations and private entrepreneurs in the ecosystem of private companies, non-profits, and foundations whose missions involve addressing social and public sector challenges.

EXAMPLES

- Social enterprises
- Social impact consulting
- Philanthropic foundations
- Advocacy



Smart Cities & Civic Solutions

Innovation in urban infrastructure, transportation, sustainability, including "smart cities" technologies.

EXAMPLES

- Autonomous vehicles
- 'Smart city' sensors, integration, and data analysis
- Green building design and construction



Professional Services Innovation

Innovations, including technology, that augment or disrupt the professional services sector.

EXAMPLES

- Enterprise technology and integration of back-end functions
- Applications that improve client experience



Hospitality Innovation

Innovations, including technology, services and entrepreneurship, that augment or disrupt the hospitality sector.

EXAMPLES

- Hospitality apps
- Food trucks, food incubators
- Event tech

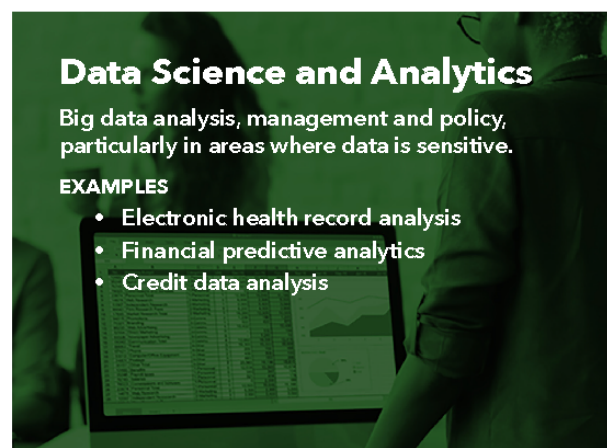


Security Technology

Cybersecurity technologies (protecting networks from attack and preventing unauthorized access to data), and physical access and identification technologies.

EXAMPLES

- Threat monitoring and detection
- Incident response
- Digital identification
- Physical identification



Data Science and Analytics

Big data analysis, management and policy, particularly in areas where data is sensitive.

EXAMPLES

- Electronic health record analysis
- Financial predictive analytics
- Credit data analysis

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- 703.~~3~~5 The District is also a center of international business and foreign direct investment. The foreign missions and offices of global economic organizations, such as the World Bank Group and the International Monetary Fund (IMF), represent a major economic sector in their own right ~~with a cumulative direct economic impact in the region of over a billion dollars, and much more in terms of contracting. More importantly, t~~The concentration of missions and institutions makes the District a unique place to conduct business for companies engaging in international investment or transactions. 703.~~3~~5
- 703.~~4~~6 ~~Tables~~ Figures 7.2 and 7.3 ~~and 7.3~~ provide some indication of where the District's economy may be headed. Since 2004, four sectors—professional, scientific, and technical services; accommodation and food services; health care and social assistance; and educational services—have produced more than 80 percent of new private sector jobs in the District. Looking forward to 2026, the DOES 2016 industry projections indicate that these four sectors are likely to continue producing the vast majority of job growth over the next six years. Among these sectors, growth in the professional, scientific, and technical services segment is particularly beneficial because it is one of the District's strongest domestic and international export industries. Exports are important because they help drive higher rates of economic growth by capturing spending from other economies. 703.~~4~~6
- 703.7 Between ~~1999~~ 2016 and ~~2004~~ 2026, several high-growth industries—including ~~C~~computer ~~S~~systems ~~D~~esign and ~~R~~elated ~~S~~ervices; professional, scientific, and technical services; ambulatory health care services; and food services and drinking places—~~exceeded all other sectors of the economy in both the amount and rate of growth~~ are anticipated to drive growth, offsetting stagnant federal government employment and procurement as well as losses in declining industries, such as travel arrangement and reservation services. ~~The industry is expected to be among the fastest growing sectors of the local economy in the future. Legal services and restaurants, also leaders during the past five years, are poised for significant gains.~~ 703.~~4~~7
- ~~703.5~~ Table 7.2: High-Growth Industries, District of Columbia, 1999-2004 ~~703.5~~
- ~~http://planning.dc.gov/planning/frames.asp?doc=/planning/lib/planning/2006_revised_comp_plan/7_econdevelopment.pdf~~
- 703.~~6~~8 The 15 industries listed in ~~Table~~ Figure 7.4 ~~7.3~~ represent more than half of the job growth expected in ~~the city~~ Washington, DC during the ~~ten~~10-year period between ~~2002~~ 2016 and ~~2012~~ 2026. Some of the gains reflect continued growth of core industries like ~~the federal government~~ professional, scientific, and technical services; universities health care and social assistance; hotels, and

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703.9 ~~non-profits~~ **food services and drinking places**. Other gains are in emerging sectors, which show promise for even greater expansion ~~in the future~~. **703.68**
~~Table Figure 7.4 7.3: Top 15 Projected High-Growth Industries, in the District of Columbia, 2002-2012~~ **2016-2026 703.9**

Industry	New Jobs Projected
Professional, Scientific, and Technical Services	14,450
Educational Services	7,283
Ambulatory Health Care Services	7,214
Administrative and Support Services	6,337
Management, Scientific, and Technical Consulting Services	5,438
Computer Systems Design and Related Services	5,433
Food Services and Drinking Places	4,886
Home Health Care Services	4,187
Social Assistance	3,680
Colleges, Universities, and Professional Schools	3,103
Elementary and Secondary Schools	3,084
Religious, Grantmaking, Civic, Professional, and Similar Organizations	2,138
Employment Services	2,109
Hospitals	1,943
Total Federal Government Employment	1,785

http://planning.dc.gov/planning/frames.asp?doc=/planning/lib/planning/2006_revised_comp_plan/7_econdevelopment.pdf.

703.8 ~~Based on regional and national economic data and indicators, opportunities exist to more aggressively market the District as a corporate headquarters location, grow the building trade and construction industries, and expand information-based industries such as broadcast media. There are also untapped opportunities to grow “backward-linked” or supply industries, such as the laundry and catering firms that serve the city’s hotels, and “forward-linked” or supplied industries, such as the technology firms that benefit from local university research. The District’s retail sector also holds the potential for significant job growth.~~

703.10 **In 2018, the District’s economy had been growing in employment and output for 20 years. Long-standing core sectors had propelled economic growth along two dimensions: expansion of established lines of business and the addition of new lines of business. Strength in established sectors had positioned the District to take advantage of growing segments in the nation’s economy by specializing in rapidly growing technology-driven and enabled**

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fields, such as cybersecurity and coworking. Through continued growth in core sectors and emerging industries, the District will continue building a resilient and inclusive economy. 703.10

703.10a

Text Box: Opportunity Zones

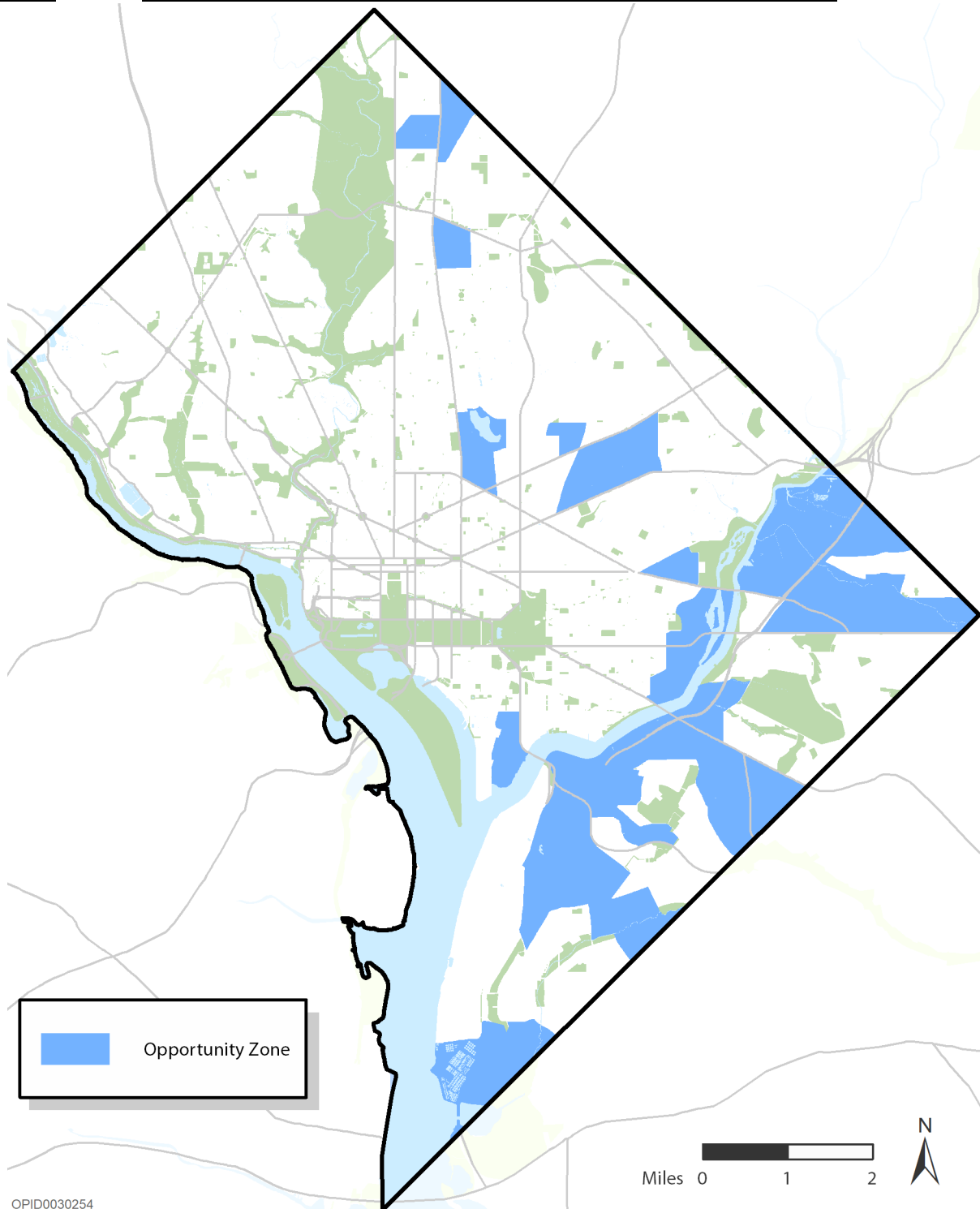
In 2017, a new federal tax law, the Tax Cut and Jobs Act, included a tax incentive program called Opportunity Zones. The program provides tax benefits for investors with capital gains that invest through Qualified Opportunity Funds in real estate and operating businesses located in Census tracts designated as Opportunity Zones. The tracts—nominated by each state, the District of Columbia, and U.S. territories—were certified by the U.S. Treasury Department as Opportunity Zones, which are eligible to receive investments from the Qualified Opportunity Funds. This program, although unproven, could be a useful tool in attracting investment in communities that have historically been overlooked by many investors. The District is focused on aligning Opportunity Zone investments with community priorities and supporting community-driven projects in leveraging the incentive. 703.10a

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703.11

Map 7.1: Federal Opportunity Zones within the District 703.11



(Source: DC GIS, 2019) Note: As of 2019, the Opportunity Zone designations are set to expire December 21, 2028.

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- 703.~~9~~12 ***Policy ED-1.1.1: Core Industries***
Continue to support and grow the District's core industries, particularly the federal government;~~;~~ professional ~~and business~~, scientific and technical services~~;~~ ~~membership associations~~ religious, grantmaking, civic professional, and similar organizations~~;~~ postsecondary education~~;~~ accommodation and food services ~~hospitality~~~~;~~ health care and social assistance~~;~~ and administrative support services. 703.~~9~~12
- 703.~~10~~13 ***Policy ED-1.1.2: Economic Linkages***
Leverage the potential of core industries to provide new employment opportunities, particularly the growth of businesses that supply essential goods and services to the government, universities, hospitals, law firms, hotels, non-profits, and other major employers in the ~~city~~District. 703.~~10~~13
- 703.~~11~~14 ***Policy ED-1.1.3: Diversification***
Diversify the District's economy by targeting fields ~~industries~~ with the greatest potential for growth, including the impact economy, smart cities and civic solutions, professional services innovation, hospitality innovation, security technology, and data science and analytics. ~~particularly technology-based and creative industries~~; Established industries with significant growth potential include retail, international business, ~~and the building trades~~ infrastructure, and building construction. 703.~~11~~14
- 703.15 ***Policy ED 1.1.4: Promote Local Entrepreneurship***
Support District residents seeking entrepreneurship opportunities through layered programs, including technical assistance, promotion of District products and services, and market development. 703.15
- 703.~~12~~16 ***Policy ED-1.1.~~45~~: Competitive Edge***
Maintain and enhance the District's competitive edge relative to the metropolitan ~~Metropolitan~~ Washington, DC region and ~~United States~~ U.S. markets in fields such ~~industry sectors~~ as federal government, professional services, ~~education~~, health care, postsecondary education, media and communications, and hospitality and tourism. Enhancing the District's competitive edge ~~This may will~~ require continued government support and performance-based incentives for economic development programs~~;~~ government participation in local economic development projects and initiatives~~;~~ ~~and~~ strengthened capacity among local economic development organizations, community development corporations, and workforce development groups~~;~~ and well-maintained business fundamentals, including transportation access. 703.~~12~~16
- 703.~~13~~17 ***Policy ED-1.1.~~56~~: Use of Large Sites***
Plan strategically for ~~the District's remaining~~ large development sites to ensure that their unique potential ~~economic development potential~~ is fully realized both as a source of economic dynamism and equity building, maximizing the sites'

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utility to the District. These sites should be viewed as assets that can be used to ~~revitalize neighborhoods~~ **bring new amenities to neighborhoods** and diversify the ~~District~~ **District's** economy over the long term. Sites with ~~metro~~ **Metrorail** access; ~~planned light rail access~~ **and priority transit access**; ~~and highway access~~ should be ~~used~~ **viewed as opportunities to advance growth in emerging industries that diversify the District's economy. Additionally, inclusive job growth and the production of new housing for residents of all income levels are also important components to the use of these sites.** ~~for new jobs and not exclusively as housing sites.~~ 703.1317

703.13a18 *Policy ED-1.1.6: International Assets*
Draw on international business and institutional assets to develop **businesses that specialize in** international **trade of goods and services** ~~centers for learning, knowledge sharing, and trade.~~ Expand cultural opportunities to residents and visitors, and create links between the District and foreign cities, industries, retail, institutions, and markets. 703.13a18

703.19 *Policy ED 1.1.8: International Tourism*
Support efforts by Destination DC and the Metropolitan Washington Airports Authority (MWAA) to strategically expand direct flights and market the District as a tourism destination to foreign markets. International visitors generate particularly large amounts of tax revenue that benefit District residents. 703.19

703.13b *Policy ED-1.1.7: Global Financial Center*
~~Enhance the District's status as an international financial center by supporting the enactment of proposed federal legislation to ensure that insurance reserves are held and invested in the U.S., rather than offshore in foreign jurisdictions, to cover losses from natural and man-made catastrophes. By making the District a special tax jurisdiction where billions of dollars of catastrophic insurance reserves and their investment income would be exempt from federal taxes, substantial new professional and service support jobs would be generated for District residents, along with substantial new local tax revenues.~~ 703.13b

703.1420 *Action ED-1.1.A: Economic Development Strategic Plan*
~~Prepare~~ **Maintain** an Economic Development Strategic Plan that lays out in greater detail the steps the District must pursue to maintain and grow its economy. This plan should cover all economic sectors, evaluate competitiveness, and include strategies for workforce development, **as well as** ~~and~~ business attraction and retention. It should be developed through broad input from stakeholders, including **those representing** resident, industry, and education interests. 703.1420

703.1521 *Action ED-1.1.B: Data Tracking*
Maintain and regularly update statistical data on employment in core sectors, wages and salaries, forecasts by sector, and opportunities for future employment

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growth. 703.~~15~~21

703.22 *Action ED-1.1.C: Monitoring and Updating Data to Support Recovery from 2020 Public Health Emergency*

Monitor and update appropriate data to support 2020 public health emergency response and recovery efforts. Such data will include a wide range of economic indicators and drivers, such as jobs, population, and housing. 703.22

703.~~16~~23 *Action ED-1.1.~~CD~~: Business Support Structures*

Streamline processes and create a more centralized system **that assists** ~~to assist~~ businesses **in meeting** ~~to meet~~ regulatory requirements quickly and efficiently, with a particular focus on serving small businesses, **businesses that show the promise to create many jobs, and businesses that help the District meet goals, such as its commitment to reduce greenhouse gasses. Continue** ~~Centralize~~ **centralizing** information and assistance to small and local businesses on starting a new business, the business permitting processes, zoning, fees and regulations, incentives, financing, unique programs, and opportunities. Create **and** maintain **a** fast-track permits and approvals system for businesses interested in opening or expanding in priority, under-served neighborhoods. 703.~~16~~23

703.24 *Action ED-1.1.E: Improve Access to Capital and Financing Opportunities*

Support collaboration between District agencies and private organizations that facilitate increased access to capital for District entrepreneurs. This includes strategic grantmaking, facilitating small business access to capital, and facilitating new forms of investment, such as social impact investing and Opportunity Funds. 703.24

703.25 *Action ED-1.1.F: Identify Underused Sites*

Explore the feasibility of identifying underused commercial sites using techniques such as parcel-based development capacity analysis. This identification would inform land-use planning and economic development. 703.25

703.26 *Action ED-1.1.G: Monitor Opportunity Zones*

Monitor effects of the federal Opportunity Zones incentive in DC's Qualified Opportunity Zones to identify adverse community impacts. If significant impacts are identified, recommend program and policy changes to mitigate the impacts. 703.26

703.27 *Action ED-1.1.H: Stabilize Business Occupancy Costs*

Explore program and policy alignments that stabilize or reduce commercial occupancy costs in the District, especially for historically disadvantaged businesses. Potential options include alignment with the District's sustainability programs to reduce energy costs, increased awareness of small

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business capital programs, and agreements for the reuse of public lands.
703.27

703.28 *Action ED-1.1.I: Increasing Exports*

Seek opportunities to increase domestic and international exports of goods and services produced by District-based organizations through cost-effective strategies. Examples include high-visibility pop-ups that introduce DC brands to new markets, and foreign trade missions that help build new business partnerships. 703.28

704 ED-1.2 Sustaining the Federal Presence 704

704.1 Although the number of federal jobs declined between 1990 and 1998, and continued to decline as a percentage of all jobs through 2017, retaining ~~and even-increasing~~ federal employment ~~should be~~ is an important part of the ~~city's~~ District's economic development ~~agenda~~ strategy. Not only does the federal government buffer the District's economy from cyclical ~~704.1~~ boom-and-bust cycles, it generates significant private employment. 704.1

704.2 ~~The District's~~ Washington, DC's status as the nation's capital and seat of the United States government is intrinsic to the local economy. In 2016, the federal government employed ~~employs 191,900~~ 199,300 workers in the District, and federal activities accounted ~~account~~ for almost 34 percent of the ~~region's~~ District's economic output. It accounts for one in every ~~four~~ 4-3.5 jobs in ~~the District-Washington, DC~~. The continued presence of the federal government and related uses is a key source of the District's preeminence in the region. Supporting this presence is important to maintaining the District's central position in the metropolitan economy. 704.2

704.3 Decentralization of federal jobs from the ~~city~~ Washington, DC has been a concern since the 1950s. The combination of interstate highways, suburbanization of the workforce, lack of available land, and national security issues resulted in the relocation of many federal offices to Maryland and Virginia in the 1950s and 1960s. Historically, the National Capital Planning Commission's 60/40 policy encouraged centralization of the federal government's regional workforce within the District of Columbia. 704.3

~~704.4~~ 704.3a ~~Text~~ Callout Box: The 60/40 ~~Rule~~ Policy 704.4

The 60/40 ~~rule~~ policy refers to a federal guideline on the distribution of federal jobs within the Washington, DC ~~M~~metropolitan ~~A~~area. The ~~rule~~ policy was first established in ~~the~~ 1968 by NCPC as a symbolic commitment to retain the District of Columbia as the seat of the federal government during a period when many jobs and residents were leaving the ~~city~~ District for the suburbs. A goal was set to retain at least 60 percent of the region's federal jobs within the District, and thus allow no more than 40 percent of the federal jobs to locate in the ~~Washington~~

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District Ssuburbs. 704.3a

704.3b The District's share of federal jobs in the region~~-actual regional share of federal jobs~~ dropped below 60 percent in the 1970s and currently stands at about ~~49~~ 53 percent. Pressure to relocate federal jobs to the suburbs continues to be strong due to factors such as security, ~~congestion, housing costs,~~ and a desire to be closer to the ~~Washington~~ District's suburbs. In recent decades, the region's federal employment in the District has hovered in the 50 percent range, and now NCPC is expected to transition away from the longstanding 60/40 policy.
704.3b

704.3c However, the District encourages the federal government to recommit to Washington, DC as the seat of the federal government. The District is uniquely positioned to serve this role because of its constitutional status, unparalleled access to a specialized workforce, and its supportive infrastructure including the Metrorail system's core. ~~704.4~~704.3c

704.4 In addition to regional decentralization of federal employment, recent federal policy has encouraged greater national distribution of federal employment. This policy increases the District's competition for hosting federal jobs. 704.4

704.5 One of the factors driving both regional and national decentralization of the federal workforce is the relatively high cost of office space in the District. In response, the General Services Administration (GSA) has been working to decrease the space per employee in federal offices within the District in order to reduce the total amount of space the government owns and leases. Together, these trends have been contributing to an elevated level of office vacancy in Washington, DC through increasingly compact facilities and the ongoing decentralization of the federal government, which is by far the District's largest industry and employer. 704.5

704.5~~6~~ Looking forward, the District should continue to retain as much federal employment as it can. Federal jobs have historically provided tremendous job opportunities for District residents, ranging from entry level and clerical jobs to advanced managerial and highly skilled positions. 704.5~~6~~

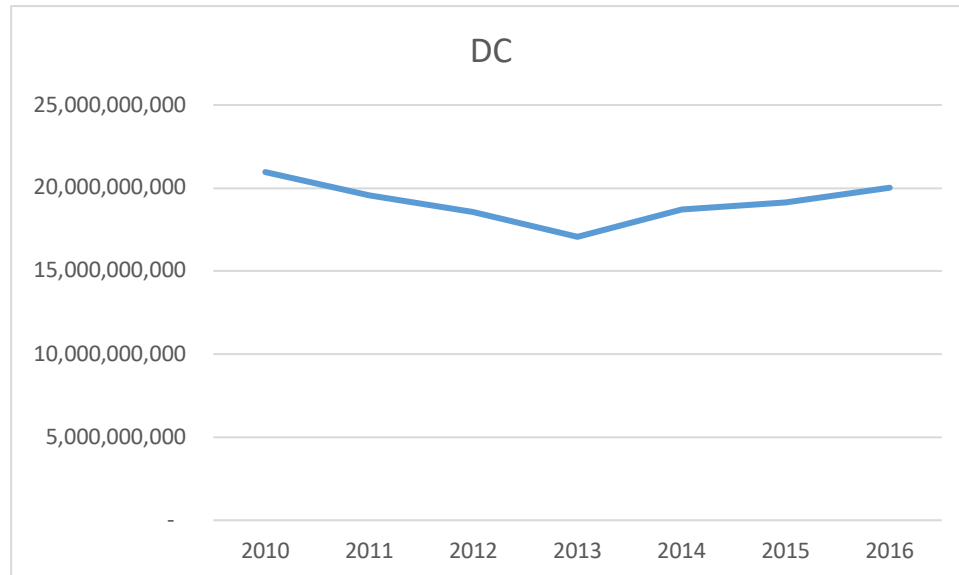
704.6~~7~~ Even greater opportunities lie in federal procurement. ~~As shown in Figure 7.2,~~ Procurement in the metropolitan region surpassed direct federal spending on wages in the mid-1990s, and has remained a leading category ~~continued to grow more rapidly than other categories~~ of federal spending ever since. A substantial amount of procurement spending—more than ~~\$11-20~~ \$11-20 billion in ~~2003~~ 2016—already occurs within the District, as shown in ~~Figure~~ Table 7.5 ~~7.4~~. Additionally, the District has the potential to grow its economy by capturing a greater portion of federal procurement, which exceeded \$72 billion regionally and \$432 billion nationally in 2016. 704.6

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704.8

Figure 7.52: Federal Procurement Spending in the District 2010-2016
~~Components of Federal Spending, Washington Metro Area, 1983-2004~~ **704.8**



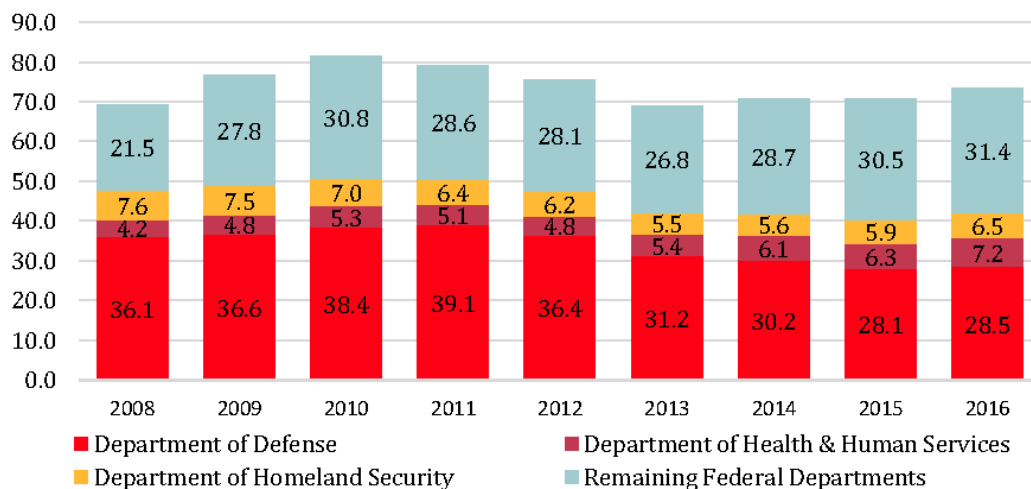
Source: Stephen S. Fuller Institute 2017

704.89

More concerted and strategic efforts should be made to **help companies** capture contract services in the future, leveraging the District's already strong presence in computer systems design; engineering; **cybersecurity**; and management, scientific, and technical consulting services. **704.89**

704.10

Table Figure 7.64: Federal Procurement bBy Federal Agency in the Washington, DC Region (\$ billions) ~~Area and Type, FY 2003~~ **2008-2016 704.10**



(Source: Stephen S. Fuller Institute 2017, Federal Procurement Spending in the Washington Region 2008-2016)

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- 704.~~10~~11 ***Policy ED-1.2.1: Sustaining the Federal Workforce***
Advocate for the retention of the federal workforce within the District, consistent with the Federal Elements of the Comprehensive Plan. 704.~~10~~11
- 704.~~11~~12 ***Policy ED-1.2.2: Federal Workforce Growth***
Support the growth of the federal workforce in ~~the District~~ **Washington, DC**, particularly in leased office space whose owners pay District property taxes. Consistent with the Federal Elements, ensure that federal expansion plans support the District's neighborhood revitalization and job creation programs. 704.~~11~~12
- 704.~~12~~13 ***Policy ED-1.2.3: Procurement and Outsourcing Opportunities***
Improve the District's competitive position for capturing ~~federal~~ **Federal** procurement and outsourcing dollars. The District should help local businesses take advantage of procurement opportunities while working to attract new firms that can also take advantage of these opportunities. The District should work closely with local and regional economic development agencies to formulate attraction and retention strategies for such businesses, including tax and financial incentives. 704.~~12~~13
- 704.~~15~~14 ***~~Action~~ Policy ED-1.2.~~C~~4: Retaining Federal Employment***
Work with NCPC, Maryland and Virginia to retain federal employment in the national capital region including a strong majority of federal jobs in the District. 704.~~15~~14
- 704.~~13~~15 ***Action ED-1.2.A: Retention and Recruitment Programs***
Work with private sector economic development organizations and through **the Office of Federal and Regional Affairs (OFRA)** to discourage federal jobs and agencies from leaving ~~the city~~ **Washington, DC**, and to enhance the District's ability to capitalize on federal procurement opportunities. 704.~~13~~15
- 704.~~14~~16 ***Action ED-1.2.B: Technical Assistance***
Through the Department of Small and Local Business Development (DSLBD), ~~Provide~~ **provide** local firms with technical assistance in bidding on **District and** federal procurement contracts so that the District's companies and workers may capture a larger share of this economic activity. Periodically evaluate the success of local technical assistance programs, and make adjustments as needed to achieve higher rates of success. **When practical, collect data and publish informational resources detailing opportunities to participate in District and federal government contracting.** 704.~~14~~16

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704.1617 Action ED-1.2.C: Study Federal Employment

Conduct a study in coordination with NCPC to identify updated approaches to retain and attract federal jobs as well as related federal activities in Washington, DC. This study should respond to the changing needs of the federal workplace, identify federal uses best aligned with the District's workforce and economic development priorities, building types and locations compatible with those federal activities. 704.17

705 ED-1.3 ~~Creating a Knowledge~~ Supporting Innovation in the Economy 705

705.1 The District's long-term economic strength depends on fostering continual growth and diversification. Historically, the federal government has driven the vast majority of the District's economic growth. Looking forward, it is likely that an increasing amount of growth will be driven by the private sector. 705.1

705.2 Fortunately, Washington, DC is uniquely positioned to support economic innovation driven by technology businesses, technology-enabled businesses, and businesses that use new models. These new and expanding businesses are growing from the foundations of the District's leading fields, such as issue-driven advocacy, hospitality, regulation management, and government services. 705.2

705.3 Economic innovation is taking many different forms, ranging from new industries created by regulatory reform to experiential retail models and technology-oriented service delivery. The common thread among these businesses is that innovation draws on forward-looking and diverse sources of inspiration that are connected to changes in the business environment. These changes are often driven by increased information access, communication, and global commerce. They are also propelled by the District's robust arts and cultural environment, which injects valuable sources of creativity. These forces align to leverage emerging growth opportunities created by increasing access to low-cost goods and services, which has increased demand for human interaction and products that are authentic to a place or community. 705.3

705.4 In 2017, DC's Economic Strategy identified six opportunity areas for innovation: the impact economy, smart cities and civic solutions, professional services innovation, hospitality innovation, security technology, and data science and analytics. Each of these fields presents opportunities for economic expansion through entrepreneurship and career development. They are also important safeguards against changes in federal policy that may impede the District's economic growth through increased national

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distribution of federal employment and reduced federal procurement spending. Supporting innovation in the District's economy helps ensure that the tax base continues expanding to finance critical investments, including affordable housing production, environmental protection and sustainability, and transportation improvements. 705.4

705.5 Since 2006, innovations such as coworking, smartphones, and 4G telecommunications have changed work, travel, and social interactions. These changes are likely to intensify as new technologies such as autonomous vehicles, 5G telecommunications, and artificial intelligence become widely used. The net impacts of these technologies are likely to be positive, though businesses and many individuals in the workforce will face challenges adapting to shifts in the business climate and nature of work. 705.5

705.6 The District is a leader in advancing equity and inclusion, particularly in technology-driven industries, through its educational, entrepreneurial, and business development programs. Technology-driven innovation is likely to be a leading facet of the District's economic growth. However, there are major equity challenges to address—namely, ensuring that business and workforce development programs continue evolving to connect District residents to employment and business opportunities. An equity focus on business and workforce development programs is imperative because increased automation and legacy business disruption will likely result in reduced employment opportunities in some industries and occupations. 705.6

705.7 In addition, Washington, DC's environmental sustainability leadership is another driver of economic innovation. In 2019, Washington, DC adopted the Clean Energy Omnibus Act, which is landmark legislation that will transition the District to 100 percent renewable electricity by 2032. This comprehensive legislation places the District of Columbia on the cutting edge of energy policy nationally. By taking this bold step toward greater resilience and sustainability, Washington, DC is also catalyzing valuable opportunities for economic growth by stimulating innovation in architecture, engineering, and the construction trades, among other fields. 705.7

705.8 Economic innovation is a critical component of building Washington, DC's economic resilience as national and global economics undergo a period of accelerated change. While the District advances these growth opportunities, it is also important to monitor and adjust job training to keep pace with changing employment opportunities and occupational requirements. 705.8

~~705.1 The District is uniquely positioned to grow those industries that rely on access to cutting-edge technology and that specialize in a range of services such as information exchange, design, and media. The city already has a dynamic learning and research environment, a thriving arts and creative scene, quality work spaces,~~

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~~and a proven record of attracting such firms and employees. These industries can add significant value to the city's economy range of opportunities for employment and career advancement. They also offer relatively high wages and flexible working conditions. 705.1~~

~~705.2 As noted earlier in this chapter, the District has a budding technology sector, as demonstrated by robust employment growth in several technology-intensive industries. The District also has employment concentrations in broadcasting, Internet-related services, data processing, and information services, such as libraries and syndicates. The District's technology sector is related in part to the presence of the national capital and also to the presence of colleges and universities. The federal presence supports extensive research and development activities through laboratories such as the National Institute of Health.~~

~~The universities often host cutting-edge research and development that in turn may spawn successful firms, often founded by student entrepreneurs. 705.2~~

~~705.3 Particular research fields with strong ties to the District include information technology clinical research, and economics. These are all uses that can take advantage of the District's predominant commercial development type multi-tenant, Metro-accessible office buildings. On the other hand, capturing biotechnology and research labs may be more difficult. While the District has the right elements for these uses, including universities, funding sources, and a highly educated regional labor pool, they typically prefer less costly rents in a campus-like setting. A handful of large sites in the city offer this setting, but there is competition to use these properties for other uses such as housing and federal office space. 705.3~~

~~705.4 Rounding out the "knowledge economy" cluster are the cutting-edge arts, design, media, information, Internet, and entertainment industries. For example, the District already has a the nation's second largest video game design industry in the country. The District should do more to capitalize on its potential as a global information, research, and data center. As the generator of much of the nation's news, the District should also take advantage of the success of established broadcast media such as CNN, BET, and XM Satellite Radio and accommodate not only radio and television but also production and post-production facilities. The District already has a wealth of technology firms, but lags in the creative side of new media such as web design and video production. Similarly, the District should continue to foster design-driven industries, along with creative destinations that rely on cutting-edge technology such as the Spy Museum and Newseum. 705.4~~

~~705.5~~**2** *Policy ED-1.3.1: Technology-Intensive Industries*

Aggressively pursue technology-based and creative industries, such as computer systems design, information services, ~~data processing~~, **smart cities**, **clean energy**,

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efficient building construction and renovation, and ~~broadcasting~~ cybersecurity firms. Promote the development of space that is attractive ~~for to~~ these industries firms, both in new and existing buildings. Such space should include ~~relatively lower-cost, large floor plate~~ buildings with ~~high-load-bearing capacity and~~ good access to transportation, high-quality architecture, a mix of uses, and attractive urban design. 705.59

~~*Policy ED-1.3.2: University Partnerships with Anchor Institutions*~~
~~Enhance partnerships with anchor institutions, such as universities, hospitals, and other institutions to generate business and employment growth in the research and development sectors, and to continue technology transfer programs for District businesses and entrepreneurs.~~ 705.6

705.710 ***Policy ED-1.3.32: Media and Design***
Capitalize on the success of established broadcast media and design companies by continuing to grow these industries, and by growing related industries, such as web design and multimedia content. 705.710

705.811 ***Policy ED-1.3.43: Incentives***
Provide performance-based incentives, marketing efforts, and ~~zoning~~ workforce development tools to attract and retain ~~“knowledge cluster”~~ technology and creative industries. Take full advantage of federal incentives, such as research and development tax credits, to attract such firms. 705.811

705.9 ***Policy ED-1.3.5: Technology Infrastructure***
~~Focus technology attraction efforts on sites and corridors where technology infrastructure (such as fiber optics cable) is already in place. Proximity to such infrastructure provides an advantage for firms that rely on the movement of large amounts of data. The capacity and need for such infrastructure should be considered when planning for the redevelopment of strategic corridors, such as New York Avenue.~~ 705.9

705.12 ***Policy ED-1.3.4: Leveraging and Adapting to Technological Change***
The District supports economic resilience by aligning workforce development and small business development with economic development to ensure that residents benefit from economic growth driven by technological innovation. 705.12

705.13 ***Policy ED-1.3.5: Leveraging Environmental Policy for Economic Growth***
Leverage the District’s environmental sustainability policies for economic growth by aligning them with business attraction and workforce development programs. These efforts should focus on expanded opportunities for historically underrepresented populations, including minorities. 705.13

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See also the Environment Element for more information about policies and actions that link environmental sustainability with economic and workforce development.

705.14 *Policy ED-1.3.6: Equitable Opportunities in Industries Enabled by Regulatory Reform*
Facilitate opportunities for locally owned small businesses and historically underserved populations to participate when new industries are enabled by regulatory reform. 705.14

~~705.10~~ ~~*Action ED-1.3.A: Knowledge Cluster Action Strategy*~~
~~Conduct a more detailed assessment of the knowledge cluster in the District. Such a study should be guided by a Task Force that represents economic development organizations, private industry, residents, and research institutions. It should include a review of national best practices, as well as actions to promote the development of research-driven and creative firms in the District. 705.10~~
Completed – See Implementation Table.

~~705.11~~**15** ~~*Action ED-1.3.B.A: Branding*~~ *Washington, DC as a Creative Hub*
~~Develop~~ **Maintain and grow** a marketing and branding campaign that establishes a stronger identity for the District ~~of Columbia~~ as a center for creativity and innovation, capitalizing on established institutions, such as ~~the city's~~ museums, think tanks, arts establishments, universities, and media industries. 705.~~11~~**15**

~~705.12~~ ~~*Action ED-1.3.C: Technology in NoMA and the Near Southeast*~~
~~Identify opportunities for knowledge and technology-based industries within the emerging business improvement districts of North of Massachusetts Avenue (NoMA) and the Near Southeast. 705.12~~ **Obsolete – See Implementation Table.**

See also the Arts and Culture Element for policies on arts and the economy ~~attracting and retaining a creative workforce~~, and the Educational Facilities Element for policies and actions on educational partnerships.

~~705.13~~**16** ~~*Action ED-1.3.D.B: Link Federal Research and Enterprises*~~
Launch a program that connects District entrepreneurs with technology transfer and commercialization opportunities associated with the federal government's research institutions in the metropolitan region.
~~Create partnerships to better link federal agencies that conduct research with local businesses to foster the commercialization and production of new technology, enterprise development, and generation of patents in the District. 705.13~~**16**

705.17 *Action ED 1.3.C: Support Emerging Entrepreneurs*
Directly, or through partnerships with private entities, establish a fund or funds to help local entrepreneurs grow investment-ready businesses.
Emphasize increasing access to capital, particularly among lower-income

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entrepreneurs in emerging fields, such as the impact economy, urban innovation/smart cities, hospitality and professional services innovation, data, and security tech. 705.17

705.18 *Action ED 1.3.D: Foster Technology Careers for District Students*
Create programs that help District students connect with careers in technology fields. These should include targeted training and opportunities for internships that provide direct experience in technology businesses. 705.18

705.19 *Action ED 1.3.E: Support and Promote Inclusive Technology Business and Workforce Opportunities*
Support and promote inclusivity in the District's technology economy through workforce development, business development, and public-private sector collaboration. These efforts should emphasize increasing the diversity of the workforce serving technology industries, as well as the ownership of technology-oriented businesses. 705.19

705.20 *Action ED 1.3.F: Planning for Technology-Based Businesses*
Explore the benefits of aligning business attraction for technology-based firms with next-generation information technology infrastructure, such as 5G telecommunications networks. 705.20

705.21 *Action ED 1.3.G: Monitor Changes in Technology*
Monitor changes in the technology industry and its impact on jobs, commerce, and workforce development. Washington, DC will use this information to update workforce development approaches to respond to these impacts. 705.21

705.22 *Action ED 1.3H Gig Economy Workers*
Analyze the characteristics of the District's workforce that is employed in the gig economy, which refers to the portion of the workforce that connects a series of on-demand employment opportunities to form a significant source of individual income. The analysis should make recommendations to increase awareness of the limitations, costs, and responsibilities of this type of work. It should also make recommendations to increase access to programs and support resources, such as health insurance. Additionally, explore approaches to reduce worker misclassification. 705.22

706 ED-2 The Spatial Impacts of the Job Market 706

706.1 The forecasted addition of ~~125,000~~ 247,100 jobs ~~during the next 20 years~~ between 2015 and 2045 will create ~~the~~ demand for office, retail, hospitality, institutional, and industrial space. Estimates of floor space needs for the ~~30~~ 20-year period vary from around ~~35~~ 50 million to ~~65~~ 94 million square feet,

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depending on the mix of jobs and space utilization trends. ~~Several hundred acres of land will be required to sustain this~~ **This real estate development will take place across the District in a variety of settings** with a variety of building types. ~~Accommodating this growth will pose a challenge for the District, given that it is a mature city with fixed boundaries.~~ **However, accommodating this growth will require more challenging real estate development techniques, including included lot assembly and/or extensive redevelopment of existing facilities, because the District is a mature city.** 706.1

706.2 Different sectors of the economy will generate the demand for different types of space. The federal government, professional/technical services, and member associations will drive the demand for office space, especially in Central Washington. **However, shifts toward hoteling and telework are changing when, where, and how employees work.** The education and ~~health care~~ **hospital** sectors will drive demand for institutional space, typically on campuses, ~~or in campus-like settings. Such settings may also be attractive to growth industries such as those in technology and design.~~ **Administrative and support services will generate** **In other areas, growth of the maker economy is generating** demand for ~~light industrial (also called office/flex)~~ **production, distribution, and repair** space, ~~and~~ **The arts, education, and recreation sector and the accommodation and food services sector** ~~tourism sector~~ will rely on retail, hotel, and cultural space in Central Washington and elsewhere. 706.2

706.3 The following sections of the Economic Development Element explore the impact of projected job growth on each of these market segments. The policies and actions are intended to accommodate long-term economic growth needs by coordinating land use and transportation decisions and **to make the District's economy more inclusive and equitable by** maximizing access to employment for ~~District~~ residents. These policies are supplemented by the job training and development policies that appear later in this ~~e~~Element, and by the commercial and industrial land use policies in the Land Use Element. 706.3

707 ED-2.1 The Office Economy 707

707.1 The District has one of the largest inventories of office space in the nation, ~~with over~~ **In 2006, there were** 112 million square feet **of office space, which grew over the next 10 years to over 142 million square feet.** Among American cities, only ~~Midtown Manhattan, Lower Manhattan~~ **has a**; ~~and Downtown Chicago~~ **boast a greater concentration** **larger inventory of Class A of office space buildings within a central business district.** By most indicators, the District's office market is performing well. Its vacancy rate is **competitive with other growing office markets but historically high at just 6.7** 11.4 percent **in 2018,** ~~the lowest of any major U.S. market.~~ The average asking rent ~~was~~ **remains** above **\$45 \$60** per square foot, **which is among the highest in the nation, only trailing the New York City and San Francisco Bay Area office markets** ~~second only to~~

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~~Midtown Manhattan.~~ 707.1

707.2 Central Washington includes a number of submarkets, each providing different amenities and locational advantages. The largest of these submarkets are ~~D~~downtown, (traditionally defined as the area east of 16th Street and south of Massachusetts Avenue); and the Golden Triangle, (extending from 16th Street west to Foggy Bottom and north to Dupont Circle). Smaller office districts exist in Georgetown, on Capitol Hill, along the avenues of Upper Northwest Washington, and around L'Enfant Plaza. The fastest growth rates within the District's submarkets has occurred, ~~and~~ in the ~~Southeast Federal Center~~ Capitol Riverfront and ~~North Capitol Street~~ North of Massachusetts Avenue (NoMa) areas. The large geographic expanse of the ~~city's~~ District's office market has been driven at least partially by building height limits and the sizeable ~~area~~ areas dedicated to federal uses and open space in the heart of ~~the city~~ Washington, DC. 707.2

707.3 ~~The city's~~ Washington, DC's long ~~more well-~~ established business districts, such as ~~D~~downtown and the Golden Triangle, are ~~approaching build-out~~ entering a phase of remodeling and redevelopment. As a result, office development is pushing east towards Union Station and ~~the North of Massachusetts Avenue (NoMA)~~ areas, and south ~~toward~~ into Capitol Riverfront ~~the Anacostia River~~. Almost ~~nine~~ five million square feet of office space is now under construction in ~~the city~~ Washington, DC, much of it in these areas. 707.3

See also the Central Washington Element for more information on the Golden Triangle/K Street Area.

707.4 Although the District's commercial land supply is adequate to accommodate forecasted job growth through 2045 ~~the job forecasts~~, the market faces a number of challenges to its continued high performance. ~~While~~ Absorption has been ~~brisk~~ modest ~~(about 1.75 million with an average of 635,000 square feet per year between 2011 and 2016)~~ , approximately half of the space due to come online in the coming years is speculative. In addition, recent federal security standards and related military base closures may open large quantities of inexpensive office space in Arlington, potentially impacting the demand for space in the District (see "Planning for BRAC" text box). Over this period, office space has become more intensively used with less dedicated space-per-employee, less on-site document storage, and fewer in-building facilities, such as legal libraries. Denser office configurations are driven by demand for trophy-class office space by businesses seeking newer office formats that feature higher-quality interior architecture and more generous shared space. These newer office configurations accommodate significantly more people per square foot than their predecessors. As a consequence, these new office building formats are contributing to higher vacancy rates, as the District's office market accommodates significantly more employees while adding

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modest amounts of net new office space. 707.4

707.5

At the same time, some of the existing space in Central Washington has reached the end of its economic life and is in need of renovation or replacement. The Base Realignment and Closure (BRAC) program, which has generated new office districts such as Capitol Riverfront, has been one of the most significant drivers in the District's office market since 2006. Going forward, there will be a need for strategies to retain existing office tenants and to attract new tenants through creative marketing. 707.4~~5~~

707.5a

~~Text~~~~Callout~~ Box: ~~Planning for~~ The Impact of Base Realignment and Closure (BRAC) 707.5

The Department of Defense periodically reorganizes America's military infrastructure to more effectively and efficiently support its operations. This may result in the redeployment of personnel to new sites, the development of new facilities, and the closure of military bases across the United States. The latest round ~~of base closings~~, announced in 2005, ~~would close~~ closed the Walter Reed Hospital campus, located between Georgia Avenue NW and 16th Street NW. ~~and scale back~~ Additionally, operations at Washington Navy Yard and Bolling Air Force Base were significantly realigned. ~~According to the George Mason School of Public Policy's Center for Regional Analysis, the District could lose more than 7,500 military and civilian jobs as a result.~~ 707.5a

707.5b

The indirect impacts of ~~the~~ BRAC ~~may be~~ have been even greater than the direct impacts. Specifically, ~~new~~ updated Department of Defense security standards ~~may result in the vacating of almost 7.2 million~~ required millions of square feet of space in Arlington and Alexandria to be vacated; ~~As~~ contractors and federal tenants ~~leave this space for~~ moved to secured secure facilities at Fort Belvoir and elsewhere, ~~the local office market may quickly become saturated. Possible impacts on the could be a downward adjustment in office rents and leasing rates, an increase in vacancy rates, and the loss of firms to Virginia as cheaper space becomes available.~~ 707.5b

707.5c

~~In the long term,~~ These closures have had a destabilizing impact, but it is also clear that they ~~there may also will generate be~~ positive impacts ~~from the military realignment. The possibility of future transfers~~ For example, land transferred from federal ownership to the District ~~could mean~~ is creating new economic development opportunities for the ~~city~~ District at sites such as the former Walter Reed campus. Additionally, in 2018, Amazon announced that it would locate its second headquarters in Crystal City, where it will repurpose buildings vacated by BRAC to host at least 25,000 employees. Securing the second headquarters in Northern Virginia is expected to strengthen the region's economic diversification by attracting, growing, and retaining technology-oriented businesses. 707.5c

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- 707.6 ***Policy ED-2.1.1: Office Growth***
Plan for an office sector that will continue to accommodate ~~growth in~~ government **agencies and growth in** government contractors, legal services, international business, trade associations, and other ~~service-sector~~ **service-sector** office industries. The primary location for this growth should be in Central Washington and the ~~emerging adjoining~~ office centers, **including along South Capitol Street and the Anacostia Waterfront NoMa, Capitol Riverfront, Buzzard Point, St. Elizabeths, and Poplar Point.** 707.6
- 707.7 ***Policy ED-2.1.2: Corporate Headquarters***
Promote the qualities that favor the District as a headquarters or branch setting for multi-national corporations, including its economic, social, political, and locational attributes. Focus ~~in particular~~ on companies that contract with the federal government but are currently headquartered elsewhere **and companies that would benefit from proximity to regulators.** Construct **performance-based** incentive packages to encourage large corporations to locate and maintain their offices in the District. 707.7
- 707.8 ***Policy ED-2.1.3: Signature Office Buildings***
Emphasize opportunities for build-to-suit/signature office buildings in order to accommodate ~~high-end~~ tenants and users; **such as** ~~and~~ corporate headquarters **that require premium office space.** ~~Consider sites in secondary office centers such as NoMA and the Near Southeast for this type of development.~~ 707.8
- 707.9 ***Policy ED-2.1.4: Diversified Office Options***
Diversify the tenant base by attracting **premium** ~~both high-end~~, mid-range, and low-~~end~~ **cost** office space users, and by supporting a range of office space types. Recognize that ~~while~~ many firms ~~seek to be located in the District, some~~ may prefer ~~lower end~~ **low-cost** space over premium ~~Downtown~~ office space. 707.9
- 707.10 ***Policy ED-2.1.5: Infill and Renovation***
Support the continued growth of the office sector through infill and renovation within established commercial districts to more efficiently use available space while providing additional opportunities for new space. 707.10
- 707.11 ***Policy ED-2.1.6: Local-Serving Office Space***
Encourage the development of small local-serving offices **and coworking facilities** within neighborhood commercial districts throughout ~~the city~~ **Washington, DC** to provide relatively affordable locations for small businesses and local services (such as real estate and insurance offices, accountants, consultants, and medical offices). 707.11
- 707.12** ***Policy ED-2.1.7: Lower-Cost and Flexible Office Space***
Support innovations such as shared office space, hoteling, and incubators as methods to support lower-cost office space and reduce office vacancy rates.

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Consider techniques such as tax incentives and regulatory flexibility. 707.12

- ~~707.12~~ *Action ED-2.1.A: Office Sector Assessment*
~~Conduct a comprehensive evaluation of the District's office market at least once every two years, including employment forecasts; space demand estimates; inventories of planned and proposed projects; analysis of location trends; analysis of regional competition including taxes, amenities, and the regulatory environment; and shifts in occupant needs. Use the findings of the evaluation to assist local Business Improvement Districts and Community Development Corporations, and to develop appropriate District economic development strategies and programs. Obsolete – See Implementation Table. 707.12~~
- 707.13 *Action ED-2.1.BA: Marketing Programs*
~~Prepare and Implement a marketing strategies plan for the District of Columbia's office District's commercial space, working collaboratively with local economic development organizations such as the Washington, DC Economic Partnership, Greater Washington Partnership, Federal City Council, Greater Washington Board of Trade, and DC Chamber of Commerce. The program should be conducted on an ongoing basis, focusing ~~The marketing plan should focus~~ on companies that are headquartered elsewhere but conduct extensive business with the federal government, including legal firms, national membership organizations, ~~and~~ technology-intensive industries, and the domestic offices of international firms. 707.13~~
- 707.14 *Action ED-2.1.CB: ~~Back~~ Support Low-Cost Office Space ~~Construction Incentives~~*
~~Explore the feasibility of financial ~~and/or~~ regulatory support incentives to encourage the development of lower-cost office space, including coworking space and office space for small ~~and/or~~ nonprofit businesses in underinvested ~~areas and in~~ commercial districts outside ~~D~~downtown. 707.14~~
- 707.15 *Action ED-2.1.C: Supporting Entrepreneurship*
Facilitate entrepreneurship, including through mentorship, technical assistance, incubators, and pro bono partnerships that will help aspiring entrepreneurs access resources and increase the likelihood of establishing a successful small business. 707.15
- 707.16 *Action 2.1.D: Anchor Commercial Expansion*
District agencies leasing new space will give priority to locations in Wards 7 and 8, where they can anchor commercial development, including fresh food retail. OP and the Deputy Mayor for Planning and Economic Development (DMPED) should support the location of District facilities in these areas through analysis of land use plans and public lands. 707.16

708 ED-2.2 The Retail Economy 708

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- 708.1 ~~A robust~~ The retail sector has generated ~~the potential to generate~~ significant tax revenue, ~~provide that provided~~ employment and income for residents, ~~enhance~~ enhanced the vitality of ~~the city~~ Washington, DC, and ~~improve~~ improved shopping, dining, and entertainment choices for District neighborhoods. In recent years, the range of retail options in the ~~city~~ District has been increasing. Between 2006 and 2017, nearly six million square feet of retail space has been constructed, with another one million square feet under construction, and an additional six million square feet in the development pipeline. 708.1
- 708.2 New and remodeled retail space has been a leading component of community revitalization throughout Washington, DC, including in CityCenterDC, Gallery Place, Columbia Heights, Logan Circle, Barracks Row, Brookland, H Street, NE, and U Street NW, which have reemerged as ~~become~~ major shopping, entertainment, and dining destinations, ~~Drawing a mix of tourists, workers and residents.~~ At the same time, established retail districts such as Friendship Heights, Dupont Circle, Cleveland Park, Georgetown, and Adams Morgan ~~continue to are draw~~ drawing fewer patrons, ~~from outside as well as the District's inside-the-city~~ retail landscape continues to diversify by expanding south and east across the District. Importantly, this expansion is returning retail ~~is also returning to the city's~~ Washington, DC's eastern quadrants, where residents without automobiles have had significantly reduced access to household goods. Some of the communities in the eastern quadrants undergoing retail growth include ~~including locations like~~ Fort Lincoln, Fort Totten, Anacostia Gateway, and Skyland ~~Barracks Row, after years of decline.~~ 708.2
- 708.23 ~~Nonetheless, the District still loses, or "leaks," an estimated \$1 billion per year in retail spending from its resident population, amounting to almost \$4,000 per household~~ The retail economy is important to the tax base, and new retail options are anticipated to capture more consumer spending from residents, workers, and visitors, which strengthens the tax base. Retail expansion has occurred in numerous neighborhood commercial areas across the District and in the Central Employment Area. Since 2006, District-wide retail growth has dramatically reduced the District's retail leakage as a proportion of resident spending, which was estimated at \$1 billion per year in 2006. Between 2009 and 2016, retail sales and use taxes were up 36 percent, and retail employment was up 28 percent. ~~The leakage is even higher when the potential spending of the daytime population, including workers and visitors, is included. The District's underperforming retail sector has a pronounced impact on its fiscal health, since retailing pays both real property taxes and sales taxes, and is more also likely to employ District residents than office development (see text box on next page).~~ 708.3
- 708.4 In the District, strong retail growth has been driven by robust demand from

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the food and beverage segment. Nationally, the retail economy is experiencing major shifts in durable goods retailing, due in part to growth in online retailing. These changes are likely to reshape the regional retail landscape and may yield a mix of benefits and challenges for retail in the District. DOES anticipates that non-store retailers, which include online retailers, will be the fastest growing component of retail trade through 2026. This is a major shift that is anticipated to drive new retail business models that will change how retailers connect with customers and likely impact traditional brick-and-mortar stores. 708.24

708.35 Efforts are underway to expand retail choices and strengthen existing retail businesses, ~~both~~ in both Central Washington, DC and in District neighborhoods. Continued planning and market assessment will help retail areas across the District adapt to changing market conditions.~~be needed to ensure that the District is targeting an optimal mix of goods and services, and in the right locations.~~ Since 2006, OP has conducted two major retail initiatives: the Retail Action Strategy and Vibrant Retail Streets Toolkit. These initiatives provide a foundation for communities and retailers to adapt to the changing retail landscape, where new retail formats that are experiential and blended with online sales are imparting major changes in retail business models, trade areas, and marketing techniques.~~An effective retail strategy should include a focus on~~ These studies identified market potential for numerous retail areas and strategies to attract neighborhood-serving~~those~~ uses, such as grocery stores, home furnishings, and home improvement stores that are missing or under-represented today. ~~It should also~~ Additional studies may assess the potential for new retail formats, such as ~~“vertical” car dealerships that make more shared spaces that are paired with administrative and technical support that make entrepreneurship more accessible by~~ efficiently ~~use of~~ using limited and expensive land. If the full market potential of retail is tapped starting in 2006, as much as seven to ~~ten~~ 10 million square feet of floor space might be accommodated by 2026 ~~in the next 20 years.~~ 708.35

708.46 *Policy ED-2.2.1: Expanding the Retail Sector*
Pursue a retail strategy that will allow the District to fully capitalize on the spending power of residents, workers, and visitors, and that will meet the retail needs of communities across the District and particularly in ~~of~~ underserved communities ~~areas.~~ 708.6

708.57 *Policy ED-2.2.2: Downtown Shopping*
Strengthen Downtown ~~Washington~~ Washington, DC as a regional experiential retail destination in order to capitalize on its status as a transit hub and its historic role as the cross-roads and central marketplace for the Washington, DC metropolitan area. Downtown should be tenanted ~~developed~~ and promoted as a regional experiential retail destination of choice, with multiple traditional and non-traditional retail anchors, a ~~well-programmed~~ variety of consumer goods

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retailers, specialty shops, retailers unique to the Washington, DC region, and a wide variety of restaurants and entertainment venues. 708.57

~~708.6 Callout Box: The Importance of Retail Sales to the District's Finances 708.6 An analysis of the fiscal impacts of different land uses was performed as part of the revision of the Comprehensive Plan to better understand the implications of future land use decisions. This analysis found that retail floor space generated more tax revenue for the city than comparable amounts of housing or office space. In fact, 100 square feet of "typical" retail space generated \$1,995 of revenue annually, compared to \$1,246 for office space, and \$869 for market-rate condominiums. For a "typical" market-rate condominium, 70 percent of the municipal revenues generated were from income taxes and 25 percent were from property taxes. By contrast, almost three-quarters of the municipal revenue derived from retail space was from sales tax.~~

~~The analysis found that mixed-use development may be more favorable than single-use development from a revenue standpoint. Combining retail and residential uses allows the District to capture sales taxes, income taxes, and property taxes, while also reducing retail "leakage" and providing housing for the local workforce. Likewise, retail in tandem with office development provides an opportunity to capture worker spending on retail sales, currently a missed opportunity in many parts of Downtown.~~

~~Some caveats to this analysis are worth noting:~~

- ~~● Although retail uses are the best generator of revenue, this is dependent on the health of the economy and the specific mix of retail businesses. Some types of retail clearly generate more sales tax revenue per square foot than others.~~
- ~~● Office uses are the most reliable generator of revenue since a higher proportion of the revenue comes from property taxes, which fluctuate less than income and sales taxes.~~
- ~~● The fiscal impacts of residential uses are highly sensitive to the income levels and household characteristics of occupants. For example, a market rate housing unit occupied by two income earners with no children generates more revenue and requires fewer municipal expenses than an affordable family unit.~~
- ~~● While fiscal impacts alone should not drive land use decisions, this type of data can help the city create balance, and achieve an appropriate mix of uses and activities as it grows.~~

~~708.78~~ ***Policy ED-2.2.3: Neighborhood Shopping***
Create **and support** additional shopping opportunities in ~~Washington's~~ **Washington, DC's** neighborhood commercial districts to better meet the demand for basic goods and services. Reuse of vacant buildings in these districts should be encouraged, along with appropriately -scaled retail infill development on vacant

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and ~~underused~~**underutilized** sites. Promote the creation **and growth of existing** ~~of~~ locally-owned, non-chain establishments because of their role in creating unique shopping experiences, **as well as in generating stronger local supply chains that facilitate community wealth building.** 708.78

708.89 ***Policy ED-2.2.4: ~~Destination Retailing~~ Support Local Entrepreneurs***
~~Continue to encourage “destination” retail districts that specialize in unique goods and services, such as furniture districts, arts districts, high-end specialty shopping districts, and wholesale markets.~~ Support the ~~creative~~ efforts of local entrepreneurs who ~~seek to enhance~~ the District’s ~~destination~~ **economy by manufacturing and retailing goods within Washington, DC, which increases the local employment and tax revenue generated by consumer retail spending base.** 708.89

708.910 ***Policy ED-2.2.5: Business Mix***
Reinforce existing and encourage new retail districts by attracting a mix ~~of~~ **businesses, including local companies, regional chains, and** ~~of~~ nationally-recognized **retailers** ~~chains as well as locally-based chains and smaller specialty stores to the city’s shopping districts.~~ 708.910

708.1011 ***Policy ED-2.2.6: Grocery Stores and Supermarkets***
Promote the development of new grocery stores and supermarkets, particularly in neighborhoods where residents currently travel long distances for food and other shopping services. Because such uses inherently require greater depth and lot area than is present in many commercial districts, **consider** adjustments to current zoning standards to accommodate these uses ~~should be considered.~~ 708.1011

708.1112 ***Policy ED-2.2.7: Planning For Retail***
Coordinate neighborhood planning efforts with the District’s economic development planning and **small business development** ~~implementation~~ programs to improve retail offerings ~~in local commercial centers~~ **by leveraging the Vibrant Retail Streets Toolkit. Evaluate techniques, such as consolidating** ~~Consolidate~~ retail **near highly trafficked locations along major corridors (particularly near transit station areas).** Consider strategies to increase a retail area’s market position, **including by coordinating promotion,** ~~according to existing and forecasted demand and consider converting retail to other uses where an increased consumer base is required.~~ 708.1112

708.11a13 ***Policy ED-2.2.8: Innovative Retail***
Identify and implement **innovative retail** ~~new~~ strategies ~~to recapture retail sales leakage.~~ This could include **supporting having pop-up or** mobile retailers ~~units~~ in neighborhoods ~~in which there might not be enough~~ **with insufficient or unproven** market demand ~~to support an entire~~ **for new stores** ~~store.~~ **These strategies can** ~~helping~~ new businesses ~~to get~~ **become** established, or ~~helping pop-up stores to~~ introduce new products and concepts, provide seasonal merchandise

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and services, and fill commercial buildings during short-term vacancies.

708.~~11a~~13

708.~~11b~~14

Policy ED-2.2.9: Clustered Retail at Transit

Cluster retail around areas of high foot-traffic, including Metrorail ~~exits~~ stations, ~~bike trails~~ bicycle facilities, ~~future streetcar stops~~ high-capacity transit stops, and other ~~multi-modal~~ multimodal meeting points. Create strong, vibrant retail nodes of ~~character~~ to effectively link retail and transit. 708.~~11b~~14

708.~~12~~15

Action ED-2.2.A: Update Retail Action Agenda

~~Prepare and implement a~~ Update the District-wide Retail Action Agenda. The ~~a~~ Agenda should include an evaluation of the current and projected amount of market-supportable retail, strategies for increasing retail offerings in historically underserved communities, ~~overcoming retail development barriers~~, ~~neighborhood-specific~~ submarket-specific retail positioning strategies ~~evaluations~~, and an analysis of how changing retail trends and technologies, such as online retailing and automation, are likely to impact retail businesses and employment in the District. ~~recommendations for overcoming retail development barriers, neighborhood-specific evaluations for new retail development and assistance programs.~~ 708.~~12~~15

708.~~13~~16

Action ED-2.2.B: Retail Ceiling Heights

Determine the feasibility of developing zoning amendments ~~which~~ that would permit higher ground floor retail ceiling heights in neighborhood commercial areas ~~commercial and mixed-use districts~~. Through processes including ZR-16, many zones have been revised to better accommodate the national standards for retail space, which has higher ceiling limits than typical office or residential uses. However, there may be an additional opportunity to make similar adjustments to zones used in neighborhood commercial areas. If these adjustments are feasible, better accommodating national retail space standards would help improve the District's economic resilience. ~~The building height limits in several zone districts preclude the development of ground floor space in keeping with national standards without reducing overall gross leasable building area or placing a portion of the ground floor below the street level.~~ 708.~~13~~16

708.17

Action ED-2.2.C: Update the 2005 Retail Leakage Study

Conduct an analysis of the District's retail economy to assess the impacts from online retailing and opportunities to capture resident retail spending. The study should also assess opportunities to attract additional retail spending by visitors and residents of nearby jurisdictions. 708.17

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709 ED-2.3 The Tourism and Hospitality Economy 709

- 709.1 The District is a premier tourism, convention, and special events destination. Its array of attractions and cultural venues, particularly ~~the~~ national museums and federal monuments, rivals that of other great cities around the globe. With ~~19-22~~ million annual visitors in 2017, the District ~~ranks fourth among the top United States~~ is a leading destinations for domestic travelers and ~~eighth among~~ foreign visitors. Away from the National Mall, an increasingly rich and diverse set of visitor amenities has been developed, including theaters, galleries, restaurants, ~~night clubs~~ nightclubs, historic trails, and historic home museums, which are enjoyed by visitors and residents alike. Added to this are the District's ~~newly~~ expanded convention facilities and the associated increase in convention travel. 709.1
- 709.2 The economic impact of tourism includes both direct employment in the hospitality industry and spending by tourists and business travelers during their stays in the District. As of 2017, hotels, bars, and restaurants directly provide more than ~~45,000~~ 67,000 jobs in the ~~city~~ District. ~~The Washington Convention Center alone is estimated to have generated more than \$700 million in direct spending by attendees in 2005.~~ New hotels, such as the ~~400~~ 1,150-room Mandarin Oriental Convention Center Marriott Marquis, ~~in Southwest~~ have added to the lodging choices in the District. ~~Additional hotels, including a new Convention Center headquarters hotel, are planned to attract larger conventions.~~ 709.2
- 709.3 Future growth is expected in both the tourism and convention sectors, ~~with strong job gains projected during the next five years. The opening of new a~~ Attractions such as the National Museum of African American History and Culture ~~renovated National Portrait Gallery~~ and the ~~US~~ U.S. Capitol Visitors Center will ~~attract~~ draw new visitors and ~~also bring~~ repeat visitors ~~back~~ to the capital. ~~The new ballpark, scheduled to open in~~ The MCI Center, now called Capital One Arena, anchored revitalization of Chinatown when it opened in 1997. Then Nationals Park opened in 2008, will have a particularly where it helped catalyze reuse of the Anacostia waterfront strong impact on visitor spending. Building on the momentum of Nationals Park, the new Audi Field and Entertainment Sports Arena at St. Elizabeths East are expected to draw more visitors and spending to historically underserved communities near and along the Anacostia River. In addition, features such as the African-American Heritage Trail; the Civil War Defenses of Washington, otherwise known as the Fort Circle Parks; the National Arboretum; Kenilworth Aquatic Gardens; and the Frederick Douglass Home offer an opportunity to explore ~~the city~~ Washington, DC ~~“beyond the monuments”~~ while also supporting neighborhood businesses and providing a better understanding of ~~the city's~~ Washington, DC's history and culture among visitors. 709.3

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- 709.4 Meeting the increased demand for visitor services will require sustained efforts to ~~improve~~ **expand** the hospitality workforce, upgrade transportation capacity, ~~address public concerns about security~~ **increase awareness of the District's public safety**, and maintain public access to key attractions and amenities. It will also require proactive measures to address neighborhood concerns about **motor coaches** ~~tour buses~~, parking, and other tourism impacts. 709.4
- 709.5 ***Policy ED-2.3.2: Growing the Hospitality Industry***
Develop an increasingly robust tourism and convention industry, which is underpinned by a broad base of arts, entertainment, restaurant, lodging, cultural and government **services** ~~amenities~~. Strive to increase: ~~(a)~~ the total number of visitors to ~~Washington~~ **the District**, ~~(b)~~ the number of visitors staying in the District ~~(rather than in suburban hotels)~~, and ~~(c)~~ longer visitor stays in ~~Washington~~ **the District**. Promote the District not only as the preferred base for exploring ~~the city's~~ **Washington, DC's** attractions, but also the preferred overnight base for visiting regional attractions. 709.5
- 709.6 ***Policy ED-2.3.2: Visitor Attractions***
~~Provide~~ **Encourage** new and enhanced visitor attractions and entertainment venues in the District, particularly attractions that complement the traditional museums and monuments and draw more international visitors and young adults to ~~the city~~ **Washington, DC**. New attractions should create a clear identity for the District as the region's major entertainment center. 709.6
- 709.7 ***Policy ED-2.3.3: Amenities Beyond the Mall***
Promote the development of cultural amenities beyond the Mall in an effort to more fully capitalize on **and distribute** the economic benefits of tourism. 709.7
- See also the Arts and Culture Element for policies on culture in every neighborhood, and the Historic Preservation Element for policies on heritage tourism.*
- 709.8 ***Policy ED-2.3.4: Lodging and Accommodation***
Support the development of a diverse range of hotel types, serving travelers with varying needs, tastes, and budgets. New hotels should be encouraged both within Central Washington and in outlying commercial areas of the ~~city~~ **District**, particularly in areas **that are underserved by hotels** ~~which presently lack quality accommodation~~. 709.8
- 709.9 ***Policy ED-2.3.5: Federal Coordination***
Continue to work with federal entities in the planning of visitor attractions, including new federal monuments and memorials, so that the District can plan for complementary amenities and incorporate these features into its marketing programs. The District should also coordinate with the federal government to address security measures ~~which~~ **that** may affect the accessibility and appearance

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of visitor attractions. 709.9

709.10 ***Policy ED-2.3.6: ~~Entertainment Districts~~ Gallery Place/Convention Center Entertainment District***
Support the continued ~~concentration~~ **clustering** of entertainment uses in the Gallery Place/Convention Center area to create a stronger and more visible destination for visitors, workers, and residents, ~~and to avoid the over-concentration of these uses in neighborhoods where they might have adverse impacts~~. Improve streetscape and transportation connections between this area and the National Mall to foster its continued ~~success~~ **growth**. 709.10

709.11 ***Policy ED-2.3.7: Visitor Information Services***
Provide ~~more~~ effective visitor information services, including information on ~~visitor~~ **tourist** attractions and services, ~~and~~ transportation, lodging, dining, cultural, and entertainment options. 709.11

*See the Transportation Element for additional ~~guidance~~ **information** on improved signage to attractions and destinations within the District.*

709.12 ***Policy ED-2.3.8: Spin-Off Industries***
Promote the development of hospitality-supply industries **and technological innovations** within the District to capture a greater share of the employment and income benefits associated with this labor-intensive sector. Presently, many of the industries that provide supplies to local hotels and restaurants are located outside of the ~~city~~ **District**. 709.12

709.13 ***Policy ED-2.3.9: Hospitality Workforce Development***
Recognize the potential for the hospitality sector to generate entry-level jobs and opportunities for upward mobility for District residents by promoting ~~vocational, job~~ **career and job** training, and job placement initiatives in this sector, and by working with local hotels, the District of Columbia Hotel Association, the Washington Convention and Tourism Corporation, **unions**, and others. 709.13

709.14 ***Policy ED-2.3.10: Waterfront Destinations***
Promote the Anacostia and Potomac waterfronts as destinations for District residents and visitors in an effort to capitalize on the amenities and economic benefits of tourism in neighborhoods adjacent to the rivers. 709.14

~~709.14~~ ***Action ED-2.3.A: Assessment of Supply Industries***
~~Conduct an assessment of the industries that provide goods and services to the District hotels and restaurants, such as caterers, laundries, and janitorial services. Based on the findings of the assessment, consider incentives and regulatory tools which might help the District capture a larger share of these businesses, along with possible locations for such uses within the city. **Obsolete – See Implementation Table.** 709.14~~

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709.15 *Action ED-2.3.BA: Promote Unique Assets*
Investigate opportunities for further promotion of ~~Washington's~~ **Washington, DC's** more esoteric attractions so that visitors may be drawn to new destinations in the ~~city~~ **District**, thereby extending their stays and creating more economic benefits for ~~the city~~ **Washington, DC**. For example, consider tour packages that include "Undercover Washington" (featuring the FBI Building, ~~the~~ **Watergate Hotel**, the **International** Spy Museum, etc.); "Naturalist's Washington" (featuring the ~~C & O~~ **C&O** Canal, Dumbarton Gardens, the Anacostia River, Rock Creek Park, and the National Arboretum), **"Washington, DC the Port City"** (featuring the **District's reimagined ports at Georgetown, the Wharf, and Navy Yard**), and "Washington, **DC** at War" (featuring the Fort Circle Parks ~~Marine Corps Historical Museum~~, and the war memorials). ~~Consider also a permanent fair or series of destinations showcasing the 50 states that draws on the District's status as the nation's capital.~~ 709.15

~~709.16 *Action ED-2.3.C: Ballpark Economic Strategy*
Develop a strategic plan to capitalize on the economic opportunities of the new Major League Baseball park, including the development of additional restaurants, entertainment, and hospitality services in the ballpark vicinity. **Completed – See Implementation Table.** 709.16~~

709.16 *Action ED-2.3.B: Economic Development Financing Tools*
Review the potential of expanding commercial revitalization programs, such as tax increment financing, to include adjoining underused and historically disadvantaged commercial districts with an emphasis on areas in Wards 7 and 8. 709.16

709.17 *Action ED 2.3.C: Test Challenge-Based Procurement*
Test the feasibility of challenge-based procurement, which is a technique for procuring a solution rather than a specified product. Challenge-based procurement starts with defining a challenge in a request for proposals to prospective contractors who then propose solutions. This is a significant departure from traditional procurement where the solution is determined prior to procurement for predefined goods and services. This model has helped identify innovative solutions to public-sector problems that use technology-driven and evidence-based approaches. 709.17

See the Arts and Culture Element for additional actions relating to tourism.

710 ED-2.4 The Institutional Economy 710

710.1 The District's **institutional anchors**—~~institutions~~, including colleges, universities, and hospitals—~~;~~ make a significant contribution to the local economy. As of ~~2004~~ **2017**, ~~colleges~~, ~~universities~~, and ~~professional schools~~

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accounted for ~~30,500~~ **52,900** jobs in the District, representing nearly five percent of total employment. Of the District's top 20 private **organizations with the most employees** ~~employers, the District's Department of Employment Services reports that~~ universities **comprise a quarter of the largest employers,** ~~occupy the number one, two, four nine, and 12 slots. George Washington University including the two largest employers, Georgetown University is the largest private employer in the city, and followed by Georgetown~~ **George Washington University, according to DOES reports.** ~~Employment at colleges and universities in the District peaked in 1999, declined for the next two years, and has been on the rise since. The District DOES Department of Employment Services indicates this sector is likely to will gain about 4,500~~ **3,103** jobs between ~~2002~~ **2016** and ~~2012~~ **2026**. 710.1

710.2 Several of the District's universities also have affiliated teaching hospitals. These include Washington Hospital Center (a private teaching hospital affiliated with several DC universities), Georgetown University Hospital/Medstar Health, Howard University Hospital, and the George Washington University Hospital. These four institutions are the third, seventh, ~~eighth~~ **13th**, and ~~15th~~ **14th** largest private employers in the District. Hospitals accounted for approximately ~~22,500~~ **28,400** jobs in ~~2004~~ **2017**, representing ~~3.4~~ **five** percent of private-sector employment. 710.2

710.3 **In addition, the University of the District of Columbia (UDC), including its community college, is the District's public university, serving residents affordably through multiple points of entry, including workforce training; professional certifications; associate degrees; and bachelor, graduate, and law degrees. 710.3**

710.~~34~~ ***Policy ED-2.4.1: Institutional Growth***
Support growth in the higher education and health care sectors. Recognize the potential of these **institutions** ~~industries~~ to provide employment and income opportunities for District residents, and to enhance the District's array of cultural amenities and health care options. 710.~~34~~

See also the Educational Facilities Element for additional policies related to colleges and universities.

710.~~4~~**5** ***Policy ED-2.4.2: Secondary Benefits***
Promote the development of local businesses and enterprises that rely on the concentration of universities and health care institutions in the ~~city~~ **District, including both firms that provide supplies to these industries, and firms that benefit from their knowledge and research capacity. 710.~~4~~**5****

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- 710.56 ***Policy ED-2.4.3: Higher Education and Health Care Linkages***
Encourage continued linkages between the higher education and health care industries through **incubator facilities co-located with** ~~such as~~ medical schools, teaching hospitals, and medical research centers **to generate new spin-off businesses from these institutions.** 710.56
- 710.7** ***Policy ED-2.4.4: Public Higher Education for District Residents***
Support UDC in its role as the District's public institution of higher learning. Recognize that the community college and university expand employment and income opportunities for District residents. In addition, elevate the university as an important resource for building a workforce for growth industries that require highly trained employees. 710.7
- 710.8** ***Policy ED-2.4.5 ~~1.3.2: University~~ Partnerships with Anchor Institutions***
Enhance partnerships with **anchor institutions, such as** universities, **hospitals,** and other institutions, to generate business and employment growth in the research and development sectors, and to continue technology transfer programs for District businesses and entrepreneurs. 710.8
- See also the portions of this ~~element~~ **Element** on ~~the~~ **Supporting Innovation in the Knowledge Economy** and **"Increasing Access to Employment"** for additional policies and actions relating to higher education. **Also see the Educational Facilities Element for information on higher education facilities.***
- 710.9** ***Action ED-2.4.A: Institutional Spin-off Business***
Encourage District-based institutions, such as hospitals and universities, to establish or expand business incubators and accelerators that enable students and employees to develop and commercialize insights gained through the pursuit of an institution's mission. Leading examples include the MedStar Institute for Innovation and the Sheik Zayed Institute for Pediatric Surgical Innovation at Children's National Hospital. 710.9
- 711 **ED-2.5 The Production, Distribution, and Repair Economy** 711
- 711.1 **Production, distribution, and repair (PDR) areas in Washington, DC play an important role in District operations, in addition to preserving space for industries that make, distribute, and repair goods.** ~~Production, Distribution and Repair (PDR) jobs~~ **industries** include the construction trades, utilities, transportation, publishing, manufacturing, wholesalers, and service providers such as commercial laundries. When these ~~various~~ industries are ~~considered~~ **assessed** collectively, they account for approximately ~~10~~ **nine** percent of the District's employment. PDR employment in the District has been **broadly** stable **since 2006** ~~over the past several years~~. Declines in some ~~sectors~~ **industries**, such as ~~manufacturing publishing~~, have been offset by growth in other ~~sectors~~ **industries**, such as ~~construction and warehousing~~ food and beverage production.

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711.1

711.2

PDR jobs are particularly desirable in the District, as they offer competitive wages to persons with limited education and academic credentials. An analysis by OP in 2014 found that the jobs created in PDR areas pay \$4 to \$7 more per hour on average than comparable jobs in retail, while requiring little to no training or education. In addition, they frequently provide opportunities for career advancement and on-the-job training. The ability to continue creating these types of jobs in the District is a key to growing inclusively. See the “Industrial Land Transformation Study” text box for more information. 711.~~1~~2

711.~~2~~3

As ~~discussed~~described in the Land Use Element, the areas that ~~currently~~ historically accommodated ~~accommodate~~ many of the ~~city~~ District’s PDR jobs were the waterfronts and the railroad corridors. Since 1975, regulatory changes have allowed residential uses on nearly a third of Washington, DC’s industrial lands. Areas designated for PDR on the Future Land Use Map are some of the only parts of the District that exclude residential uses to facilitate municipal and private sector uses that are not well-suited for residential areas. Additionally, because PDR areas have restricted use, land values are typically lower than in other parts of the District, which supports uses that require larger spaces and that are cost-effective for PDR uses. Today, the demand for housing continues to grow, while the supply of PDR properties has become very tight, which is creating a tension between much-needed housing production and PDR activities in a land-constrained District. 711.3

711.4

The ~~production, distribution, and repair~~ PDR sector plays an important role in supporting government operations and other sectors of the broader economy. The federal government, the hospitality industry, the construction trades, and many of the District’s large private employers require services that are delivered from warehouses, trucking and distribution centers, and wholesale or manufacturing facilities. Media companies whose operations involve an industrial component, such as studios, also may locate in the District’s industrial zones. Without PDR areas, many private sector services and municipal operations could become less efficient and more expensive. The District needs PDR areas for municipal services, including trash collection, street sweeping, fleet storage, vehicle repair, and snow removal operations. Utilities and authorities need PDR lands to house key infrastructure, as well as for conducting repairs and maintenance. These areas serve a wide range of distribution needs. For example, all the alcoholic beverages sold in the District are warehoused and distributed from PDR areas, and same-day delivery services are seeking fulfillment centers in close proximity to customers. Entrepreneurs use facilities in PDR areas to operate creative businesses, including video production, food preparation, and beverage manufacturing. Preserving PDR areas supports industries that provide important services and economic diversification. 711.4

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711.5 **Currently, residential neighborhoods are emerging in and near PDR areas, such as Florida Avenue Market, Ivy City, Edgewood, and Buzzard Point. As of 2014, less than three percent of the District’s future land use was dedicated to PDR, which is low in the context of comparable cities, such as San Francisco and Boston.** ~~have come under scrutiny as developers have run short of more favorably located sites. This is particularly true around the New York Avenue Metro station, but is also the case on the New York Avenue industrial corridor and in other industrial areas such as Blair Road and Buzzard Point. Although Washington has never been an “industrial” city, it still grapple with how much industrial land it can afford to lose before basic support services and municipal government functions are impaired (see “Industrial Land Use Study)~~ **Due to this limited supply, the District recognizes the importance of PDR uses, which facilitate economic dynamism and support the delivery of municipal and other services. These areas are a limited resource that is important to many facets of Washington, DC’s economy, and they should continue to serve the needs of the District.** ~~711.25~~

See also the Environmental Protection Element for information pertaining to Environmental Justice and the Urban Design Element for information pertaining to buffering PDR facilities.

711.5a **Text Box: PDR Uses in the District**
PDR uses are emerging in the District. For example, in 2018 the District formed a partnership with Ford Autonomous Vehicles to pilot-test autonomous vehicle technology and begin training the workforce to support this new type of mobility. The partnership with Ford will develop a base of vehicle operations and maintenance in the District and establish a training program through the DC Infrastructure Academy to prepare residents for new jobs that will come with the broader introduction of autonomous vehicles. This partnership exemplifies how new types of technology-based businesses may transform PDR lands. ~~711.5a~~

~~711.3~~ **711.5a1 Text Callout Box: Ward 5 Industrial Land Use Transformation Study**
In ~~2005~~ **2014**, ~~the DC Office of Planning~~ **OP** commissioned a detailed study of the ~~city’s~~ **District’s** industrial lands from a land use, economic, and market perspective. This work included:

- **Outreach to industrial land use stakeholders, community engagement**
~~A survey of existing industrial tenants, and~~ field surveys, and mapping of land use patterns and physical characteristics of each industrial area;
- An opportunities and constraints analysis of ~~each~~ **the Ward 5 industrial sub-areas** ~~area~~ based on **outreach and analysis;** ~~the field surveys and mapping~~

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- An ~~economic~~ analysis of the role that PDR businesses **and jobs** play in the DC economy; **and**
- ~~Development of evaluation criteria for rezoning requests~~ **Identification of best practices and recommendations for key industries and submarkets.**

~~Based upon a detailed demand analysis, the study found that DC currently requires 70 acres of additional land in which to house its municipal industrial functions alone. The study also found that there is a limited supply of this type PDR land for municipal use of land, and that much of the District's industrial land is either undevelopable because it supports infrastructure (e.g., water treatment and transportation infrastructure), has been rezoned to include housing and other incompatible uses, or is becoming more valuable than many users can afford, as the demand for PDR lands persistently exceeds supply. is under significant development pressures.~~ **711.5a1**

711.5a2

The study provided ~~future land use~~ recommendations regarding where industrial land should be preserved ~~and where it may be rezoned~~ **and how to better integrate PDR uses with residential communities by applying state-of-the-art environmental mitigation systems and well-designed buffers to reduce nuisances.** Two ~~groups~~ ~~tracks~~ of recommendations are provided. The first ~~group~~ **are policy recommendations** ~~emphasizes strategies to that~~ provide **guidance and appropriate standards and** protections for PDR businesses ~~where continued PDR use is appropriate~~. The second ~~group~~ **are place-based strategies for** consists of policy responses such as ~~Industrial Business Improvement Districts, contracting assistance~~ **nuisance abatement, municipal uses, and industrial parks community amenities.** ~~all of which are intended to promote business development and growth in the PDR sectors~~ **Together, these recommendations provide clear expectations for how industrial facilities should be constructed and operated to minimize and offset adverse impacts on residential areas. These recommendations shape policies that balance the District's need for industrial business and municipal services with community needs.** **711.5a2**

711.56

Policy ED-2.5.1: ~~Industrial Land Retention~~ Retain and Transform Areas for Production, Distribution, and Repair

Retain ~~an adequate~~ **the areas designated for PDR on the Future Land Use Map** ~~supply of industrially zoned land in order to~~ accommodate the production, warehousing, distribution, ~~and repair~~ **light industrial, and research and development** activities, which sustain the local economy, support municipal services, and provide good employment opportunities for District residents. **This should be guided by the Ward 5 Works Industrial Land Transformation Study's recommendations for existing PDR areas.** **711.56**

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- 711.67 *Policy ED-2.5.2: ~~Retaining~~ Retain Areas for High-Density PDR Activities ~~Heavy Industry~~*
Retain areas for high-density PDR activities that host essential uses, such as municipal services and utilities. Users of these areas must minimize any adverse impacts on adjacent areas with more restrictive land uses. ~~Ensure that basic manufacturing (M-zoned) land is retained within the District to support the heavy industries that are essential to the local economy, such as concrete and asphalt batching plants and waste transfer facilities.~~ 711.67
- 711.8 *Policy ED-2.5.3: Transform, Improve, and Consolidate Industrial Municipal Operations*
The District will be a leader in the transformation and improvement of PDR areas through proactive facility maintenance and by advancing cutting-edge solutions to consolidate municipal operations. An example is the planned West Virginia Avenue Public Works Campus, which significantly reduces adverse impacts while increasing the sustainability and resilience of public works operations. In addition, where it is possible, support larger, attractively designed buffers to nearby residential areas. 711.8
- 711.9 *Policy ED-2.5.4: Support for PDR Areas*
Support business attraction, business retention, and technical assistance targeted toward PDR areas. Partner with stakeholders to develop and implement initiatives. 711.9
- 711.10 *Policy ED-2.5.5: Improve Environmental Stewardship*
Improve the environmental performance of PDR areas by capturing and treating stormwater on-site, generating renewable energy on-site, implementing energy efficiency upgrades, and improving air quality. 711.10
- 711.11 *Policy ED-2.5.6: Workforce Development*
Encourage PDR businesses and training programs to link unemployed and underemployed residents to career pathways. PDR industries are particularly effective entry-level jobs for populations with barriers to employment. 711.11
- 711.22 *Policy ED-2.5.7: Abating Nuisance*
Improve the relationship between PDR businesses and nearby residential communities by encouraging nuisance abatement through techniques such as creating larger and more attractively designed buffers, sound reduction, emissions reduction, and creating amenities for residents through art, creative uses, retail, and other services. 711.22
- 711.713 *Action ED-2.5.A: Industrial Business Association ~~Improvement Districts~~*

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~~Consider~~ **Explore** the formation of an Industrial Business **Association Improvement District (BID)** ~~along the New York Avenue corridor to coordinate development activity,~~ **to** promote industrial tenant attraction and retention, ~~and improve the functionality of the corridor as a viable industrial area.~~ 711.7**13**

711.14

Action ED-2.5.B: Municipal PDR Needs Study

Explore a study to gain a better understanding of the District's long-term real estate needs for municipal PDR functions. These functions include waste management, fleet storage, fleet maintenance, and infrastructure operations. The study should consider opportunities for co-location and the consolidation of municipal uses. 711.14

See also Land Use Element Section LU-3.1 for additional policies and actions related to ~~i~~ndustrial land retention.

711.15

Action ED-2.5.C: Siting of Food Aggregation, Processing, and Production Facilities

Explore the feasibility of developing food hubs, central storage, and community kitchens to expand healthy food access, federal nutrition program participation, and economic opportunity in underserved areas. These sites should be co-located whenever possible with job training, business incubation, and entrepreneurship programs. 711.15

711.16

Action ED2.5.D: Assess Innovations in PDR Uses

Explore how emerging trends in PDR uses—such as vertical distribution facilities, one-hour delivery, autonomous vehicle fleets, and maker businesses—are adapting to changes in urban PDR real estate markets. 711.16

712

ED-3 Supporting the Neighborhood Business Environment 712

712.1

The distinct characteristics of many of the District's neighborhoods are expressed in their local shopping areas. Neighborhood business districts often reflect the ethnic heritage, building patterns, and architectural and social history of the communities that surround them. They provide places to interact with neighbors, and, in many cases, a public domain with active street life and character. 712.1

712.2

From an economic development standpoint, the District's neighborhood shopping areas generate property and sales taxes, provide jobs, and meet local needs for goods and services. The economic health of these areas varies widely across the ~~city~~ **District**. In shopping districts that are thriving, the ~~city~~ **District will** promotes continued patronage, variety **among retailers**, and **high-quality goods and services**, while addressing issues such as **aesthetics and parking access for suppliers, customers, and employees** ~~and aesthetics~~. 712.2

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- 712.3** In shopping districts that are underserved ~~or underfunded~~, Washington, DC promotes a more strategic decisions must be made, taking into account the long-term viability of each area. A range of solutions, —including ~~phasing out obsolete commercial concentrating retail~~ areas and converting some retail spaces to office or services uses in favor of new uses like housing (e.g., coworking) — ~~may be needed~~ to address chronic challenges such as boarded-up storefronts, concerns about public safety, and difficulty competing with stronger commercial districts. ~~a lack of access to financing.~~ 712.23
- 712.4** Small and local businesses have demonstrated strong capacity for anchoring community revitalization, which has been amplified through initiatives such as Made in DC and DC Main Streets, which have helped propel resurgence in the retail economy. However, many formerly economically thriving retail districts have experienced market position shifts from regional-serving toward neighborhood-serving as retailing has strengthened downtown and expanded eastward since 2006. To address challenges and target opportunities in retail submarkets, the District has conducted a series of studies—including the Retail Action Strategy, the Vibrant Retail Streets Toolkit, and the Great Streets program—that provide strategic guidance for the District, retailers, and community partners. 712.4
- 713** **ED-3.1 Strengthening Retail Districts ~~Neighborhood Commercial Centers~~**
713
- 713.1** Part of growing an inclusive ~~city~~ District involves improving access to basic goods and services for all residents ~~in all parts of the city~~ Washington, DC. Currently, some areas of the District lack basic amenities such as grocery stores, hardware stores, drug stores, and dry cleaners. In other parts of the ~~city~~ District, these services exist but ~~they~~ are poorly sited and do not provide ~~the~~ a strong sense of community identity ~~that they could.~~ 713.1
- 713.2** ~~Recently,~~ Commercial districts such as 14th and U Street NW have re-emerged as walkable shopping areas, with new development reinforcing the traditional pedestrian pattern. Other commercial districts have not fared as well. This is especially true along long arterial streets, and in neighborhoods where certain commercial uses are in oversupply ~~or are causing problems.~~ The ~~future~~ market feasibility of each commercial area ~~should be~~ is evaluated based on a number of factors, including architectural design and character, lot and block patterns, property ownership, surrounding uses, market competition, community support, accessibility, traffic and parking, and the mix of existing businesses. 713.2
- 713.3** To sustain viable commercial centers, it is essential that the ~~city~~ District provide the police and fire protection, street and sidewalk maintenance, lighting, sanitation, and code enforcement services necessary to ensure the health and safety of merchants, residents, and shoppers. ~~Transit and parking~~ Transportation

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accessibility improvements are particularly important ~~to~~ for increasing retail districts' customer bases while ~~improve access and~~ minimizing neighborhood disruption. The District operates ~~is currently implementing~~ a number of programs with these objectives. For example, the Great Streets initiative is ~~focusing on capital improvements such as street lighting and tree planting~~ a multi-agency commercial revitalization initiative to support existing small businesses, attract new businesses, and transform emerging corridors. In addition, the ~~Restore-DC Main Streets p~~Program supports ~~is focusing on~~ small business development ~~and~~ through technical support. 713.3

- 713.4 Ultimately, the success of each neighborhood commercial district will depend on private investment, ~~and~~ cooperation among merchants and property owners, and consumer support. ~~Community development corporations~~ Community-based organizations (e.g., Main Streets) and business improvement districts ~~can~~ assist through the services they provide and the local business enterprises they support. The government assists ~~city can assist~~ by providing technical assistance, financial incentives, and support to merchant associations, and by coordinating its revitalization programs with those of the private and non-profit sectors. 713.4

See the Framework Element (Generalized Policy Map) for ~~a discussion of~~ additional information about the District's commercial centers, including neighborhood centers, multi-neighborhood centers, regional centers, and Main Street mixed-use corridors.

See the Land Use Element for ~~a discussion of~~ additional information about the District's land use and development policies in neighborhood business districts.

- 713.5 ***Policy ED-3.1.1: Neighborhood Commercial Vitality***
Promote the vitality and diversity of ~~Washington's~~ Washington, DC's neighborhood commercial areas by retaining existing businesses, attracting new businesses, supporting a strong customer base through residential density, and improving the mix of goods and services available to residents. 713.5

See the Housing Element for additional information about the District's housing policies.

- 713.6 ***Policy ED-3.1.2: Targeting Commercial Revitalization***
Continue to target government economic development programs to areas of greatest need, including older business areas with high vacancy rates and commercial centers that inadequately serve surrounding areas. Focus on those areas where the critical mass needed to sustain a viable neighborhood commercial center can be achieved. 713.6

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- 713.7 ***Policy ED-3.1.3: Commercial District Associations***
Encourage business improvement districts, merchant associations, Main Street organizations, and other commercial associations that enhance economic development and commercial revitalization efforts, particularly in underserved ~~and/or~~ rapidly ~~gentrifying~~ **changing** neighborhoods. **713.7**
- 713.8 ***Policy ED-3.1.4: Assistance for ~~CDCs~~ Community-Based Development***
Encourage a network of active and effective ~~community development corporations (CDCs) and similar~~ neighborhood-based ~~economic~~ **community development groups organizations**. The District should assist ~~CDCs and similar~~ **these** organizations in acquiring the necessary technical and financial skills to participate in neighborhood revitalization projects. It should integrate the work of such groups into the ~~city's~~ **District's** overall planning and economic development initiatives. 713.8
- 713.9 ***Policy ED-3.1.5: ~~Leveraging Private Investment~~ Public-Private Partnerships***
Leverage **public resources to attract** ~~the expenditure of public funds to produce~~ **private sector** ~~private sector~~ investments ~~through techniques;~~ including **ground leases, design build contracts, maintenance and operations agreements, licensing agreements, and** joint development on publicly-owned-land and redevelopment in areas considered to be high risks by investors. Support the involvement of local community development corporations in commercial development and revitalization efforts within these areas. 713.9
- 713.10 ***Policy ED-3.1.6: Revitalization Planning***
Link commercial revitalization strategies to capital budget priorities and larger neighborhood and transportation investment plans, including programs to improve transit to neighborhood centers. 713.10
- 713.11 ***Policy ED-3.1.7: Community Equity Investment***
Provide opportunities for community equity investment in local economic development projects. This may include methods of business financing that provide District residents with greater opportunities **to acquire** ~~for~~ equity shares in new development. 713.11
- 713.11a12 ***Policy ED-3.1.8: Neighborhood Retail District Identity and Promotion***
Brand the distinct character of retail districts through signature promotional events, signage, streetscape, and district gateways; ~~as well as building~~ **Additionally, encourage** unique **retail** clusters where appropriate. 713.11a12
- 713.13 ***Action ED-3.1.A: Neighborhood Commercial Revitalization***
Expand commercial revitalization programs such as tax ~~increment~~ financing **structures**, Great Streets, and the ~~District's DC~~ Main Streets ~~P~~ program to include additional commercial districts, particularly in the northeast and southeast quadrants of the ~~city~~ **District**. **Use the commercial revitalization programs to**

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increase the stability of small and locally owned businesses by helping them adapt to demographic and market changes. 713.~~13~~**13**

713.14

Action ED-3.1.B: Integrating Cultural Events and Neighborhood Commercial Revitalization

Promote the vitality and diversity of the District's neighborhood commercial corridors through heritage and cultural tours, festivals, and other events.
713.14

See also The Arts and Culture Element for additional information on placemaking. ~~Action ED-2.2-A on the Retail Action Agenda.~~

714

ED-3.2 Small and Locally–Owned Businesses 714

714.1

Small goods and services businesses are an important part of what makes the District's neighborhood commercial areas work. They provide full- and part-time employment opportunities for ~~city~~ **Washington, DC** residents and contribute to the ~~city's~~ **District's** tax base. They help sustain the diversity of neighborhood shopping areas, and enable the marketplace to respond to changing business conditions and consumer preferences. ~~It is the city's~~ **Washington, DC's** small business proprietors ~~that~~ have initiated many of the District's commercial revitalization efforts, driven by a desire and commitment to upgrade their businesses, properties, and neighborhoods. 714.1

714.2

Approximately ~~95~~ **98** percent of the businesses in the District ~~had~~ **have** fewer than ~~500~~ **50** employees **in 2015.** ~~While~~ **These** businesses **represented 47** ~~represent just 34~~ percent of the District's private-sector jobs, **and** they are an essential part of the ~~city's~~ **Washington, DC's** economic base. Sectors with high numbers of small businesses include construction, wholesale trade, retail trade, and food services. In fact, the average retail business in the ~~city~~ **District** has about ~~10~~ **12** employees, and the average food service business has ~~17~~ **22** employees.
714.2

714.3

The success of small businesses in these sectors and others is particularly important in ~~the city's~~ **Washington, DC's** ~~economically-distressed~~ **underserved or underfunded** communities. Small businesses in these areas can catalyze neighborhood renewal and provide local jobs. The availability of working capital and other forms of financial and technical assistance is important to promote their success. 714.3

714.4

One of the potential downsides of revitalization is the loss of small businesses as ~~national chains move in~~ **the cost of retail space increases beyond what many business models can support in the face of growing demand from new types of businesses, such as fast-casual restaurants that generate particularly high**

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levels of revenue. This can ~~also~~ result in the replacement of basic services with ~~high-end~~ specialty ~~shopping~~ retail and dining that is not affordable to ~~as~~ many residents. The District recognizes that neighborhood shopping areas should evolve in response to changes in consumer tastes and preferences, but it also recognizes the importance of avoiding displacement and economic hardship for the businesses that have anchored ~~our city's~~ Washington, DC's shopping areas for years. 714.4

- 714.5 New programs may be needed to ~~reduce “commercial gentrification”~~ increase opportunities for residents to own businesses in thriving commercial areas. ~~in the future.~~ Measures ~~should~~ could include ~~but not be limited to~~ income and property tax incentives, assistance to commercial tenants seeking to purchase their buildings, commercial land trusts (which buy local commercial space and hold it in perpetuity for the benefit of the community), and relocation assistance programs for displaced businesses. Zoning strategies, such as ~~limits on the size of businesses or the length of street frontage, and~~ development incentives to preserve tying zoning relief (variances, etc.) to explicit requirements for the preservation of local-serving small businesses, should be considered ~~businesses also should be included~~. There are also federal programs like the ~~HUBZone~~ (Historically Underutilized Business Zone (HUBZone) and Small Business Administration (SBA) loans that can support local entrepreneurs. In addition, entrepreneurship training programs can help residents develop successful enterprises that have forward-looking business models that can become the next generation of local businesses that anchor communities. 714.5

- 714.5a Text Box: Employee-Owned and Controlled Businesses
Employee-owned and controlled businesses, such as worker cooperatives, are one form of small business ownership that produces an array of economic benefits for low-income communities that can effectively reduce economic disparities on a long-term basis. Employee-owned and controlled businesses tend to provide higher wages, more opportunities for skill development, greater job stability, and better benefits. This type of business is a proven community development practice that can help build economic equity by promoting living wages and reducing income inequality. 714.5a

- 714.5b Promoting employee-owned and controlled businesses is an opportunity to build community wealth and support workforce development in concert with other programs to continue building an inclusive District. Connecting prospective employee-owned and controlled businesses with small business financing programs can improve the successful creation, implementation, and expansion of worker cooperatives. 714.5b

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- 714.6 ***Policy ED-3.2.1: Small Business Retention and Growth***
Encourage the retention, development, and growth of small and minority businesses through a range of District-sponsored **promotion programs, such as Made in DC and 202 Creates, as well as through** technical and financial assistance programs. 714.6
- 714.7 ***Policy ED-3.2.2: Small Business Incubators***
Support small business incubators that provide space for lease to small and emerging businesses at low cost with flexible terms, paired with business development advisory services.
~~Provide low-cost rental space (“incubators”) for small, home-grown businesses and start-up companies, particularly companies that are responsive to technological and economic innovation in the marketplace. A variety of spaces should be considered for business incubators, including vacant storefronts and surplus public buildings.~~ 714.7
- 714.8 ***Policy ED-3.2.3: Access to Capital***
Expand access to equity, debt capital, **(including small business loans and lines of credit)**, long-term debt financing, ~~and small business loans and grants~~ for ~~small and medium-sized~~ businesses **to support new and expanded business ventures.** These tools should be used to leverage private investment in ~~façade~~ **facility** improvements, ~~new and expanded business ventures,~~ streetscape improvements, and other ~~outcomes~~ **investments** that help revitalize commercial districts and generate local jobs. 714.8
- 714.9 ***Policy ED-3.2.4: ~~Large-Business~~ Partnerships with Major Employers***
Promote collaborations and partnerships between small businesses and the District’s major employers to increase contracts for small and disadvantaged businesses; **(including federal outsourcing contracts), create new training opportunities, leverage corporate social responsibility initiatives, or otherwise collaborate on inclusive economic growth initiatives.** 714.9
- 714.10 ***Policy ED-3.2.5: Innovation in Emerging Cross-Cutting Industry Clusters***
~~*Technology Transfer and Innovation*~~
Support ongoing efforts by the District’s colleges and universities to promote ~~technology transfer and~~ innovation **in emerging fields,** ~~and~~ Provide technical and financial assistance to help local entrepreneurs and small businesses **with an emphasis on the impact economy, smart cities, professional services innovation, hospitality innovation, security technology, and data science and analytics.** These efforts should include small business ~~“clinics”~~ **incubators,** and ~~small business~~ course offerings at institutions of higher education. **These efforts should emphasize opportunities to serve women, minorities, and low-income residents.** 714.10

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- 714.11 ***Policy ED-3.2.6: Commercial Displacement***
~~Avoid~~ **Mitigate** the **risk of** displacement of small and local businesses due to rising real estate costs. **Consider** programs ~~should be developed~~ to offset the impacts of rising operating expenses on small businesses in areas of rapidly rising rents and prices. **Also consider enhanced technical support that helps long-standing businesses grow their revenues and thrive in the strengthening retail economy.** 714.11
- 714.12 ***Policy ED-3.2.7: Assistance to Displaced Businesses***
Assist small businesses that are displaced as a result of rising land costs and rents, government action, or new development. Efforts should be made to find locations for such businesses within redeveloping areas, or on other suitable sites within the ~~city~~ **District**. 714.12
- 714.13 ***Policy ED-3.2.8: ~~LSDBE~~ Certified Business Enterprise Programs***
Expand opportunities for local, small, and disadvantaged business enterprises through ~~city~~ programs, incentives, contracting requirements, and other activities. 714.13
- 714.14 ***3a Text*** ~~Callout~~ Box: Small and Minority Businesses ~~714.14~~
Minority business enterprises represent an important **subset** of small businesses in ~~the city~~ **Washington, DC**. Their growth and expansion remain a particularly high economic development priority. The ~~District has established a Small Business Development One-Stop satellite center in the Department of Employment Services headquarters~~ **DC Business Center is a one-stop online center to streamline regulatory information and make payments, in partnership with the DC Minority Business Development Center. The DC Business Center and DSLBD's Center for Entrepreneurial Education and Development provide unified information from key agencies, including the Department of Consumer and Regulatory Affairs (DCRA) and the Alcoholic Beverage Regulation Administration (ABRA).** 714.13a ~~The partnership focuses on enhancing the performance and profitability of minority business enterprises and provides an important resource for minority business recruitment, seminars, business skill enhancement, incubation services, networking events, and pro bono counseling~~
- 714.14** ***Policy ED-3.2.9: Employee-Owned and Controlled Businesses***
Support the creation and advancement of employee-owned and controlled businesses. Consider techniques such as public funding to support the formation of cooperatives, prioritizing worker cooperatives in competitive contracting and procurement opportunities, aligning preferences for cooperatives with workforce and economic development initiatives, training partnerships with workforce development programs, and providing technical assistance, including financial and legal services. 714.14
- 714.15** ***Policy ED-3.2.10: Local Business Operational Planning***

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Promote the development of business operational plans to assess and build capacity of local businesses to prepare for, withstand, operate, and recover from identified threats and risks. The intent of business continuity plans is to implement safeguards and procedures that minimize disruptions during and after disasters, and to eliminate threats that can jeopardize the financial solvency of the small business. 714.15

714.16 Policy ED-3.2.11: Small Business Capacity Building
Promote capacity building for small businesses that expand awareness of financial management, strategic planning, inventory management, legal requirements and risk management, and proven marketing techniques. Expanding awareness of these techniques will help small and local businesses grow along with the District's economy. 714.16

714.1517 Action ED-3.2.A: Anti-Displacement Strategies
Complete an analysis of alternative regulatory and financial measures to mitigate the impacts of ~~“commercial gentrification”~~ **demographic and economic market changes** on small and local businesses. Measures to be assessed should include, but not be limited to, **technical assistance, building purchase assistance,** income and property tax incentives, historic tax credits, direct financial assistance, commercial land trusts, relocation assistance programs, and zoning strategies, such as maximum floor area allowances for particular commercial activities. 714.1517

714.1618 Action ED-3.2.B: Business Incentives
Use a range of financial incentive programs to promote the success of new and existing businesses, including ~~enterprise~~ **HUBZones, the Inclusive Innovation Fund, Certified Business Enterprise** ~~minority-business~~ **set-asides,** loans, ~~and~~ loan guarantees, low-interest revenue bonds, federal tax credits for hiring District residents, and tax increment bond financing. 714.1618

714.1719 Action ED-3.2.C: ~~Shopsteading Program~~ Temporary Retail
~~Investigate the feasibility of a shopsteading program that~~ **Support temporary retail opportunities that** would enable entrepreneurs and small businesses to open a shop in ~~currently~~ vacant ~~or abandoned~~ commercial space at ~~greatly~~ reduced costs. 714.1719

714.1820 Action ED-3.2.D: Small Business Needs Assessment
Conduct an assessment of small and minority business needs and **impact evaluations of** existing small business programs in the District. The ~~study~~ **assessment** should include recommendations to improve existing small business programs and ~~to~~ **developing** new, **performance-based** programs as needed. 714.1820

~~714.19 Action ED-3.2.E: Best Practices Analysis~~

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~~Analyze what other cities have done to encourage and foster their small business sectors, including the development of business parks and incubators. Use this best practice information to inform District policy.~~ **Completed – See Implementation Table. 714.19**

714.21 *Action ED-3.2.E: Neighborhood Commercial District Resilience Toolkit*
Create a toolkit that builds on the Vibrant Retail Streets Toolkit to provide community-based economic development organizations tools to navigate changing markets. The toolkit will help organizations identify and leverage public space assets, build market strength, apply creative placemaking, and implement temporary uses. 714.21

714.22 *Action ED-3.2.F: Study Employee-Owned and Controlled Businesses*
Evaluate employee-owned and controlled businesses' potential for inclusive economic growth. Research could include identifying successful programs and assessing the feasibility of support for employee-owned and controlled businesses through startup funding, technical assistance, and legal support. 714.22

715 **ED-4 Increasing ~~Access to Employment~~ Economic Equity 715**

715.1 **At the heart of Washington, DC's ~~an~~ economic development strategy agenda for the District is the a goal to create need-to-create good-quality good-quality jobs and with livable wages and good benefits that are filled by for District residents. "Quality" Good-quality jobs should offer stable employment with opportunities to advance. By improving the District's educational system and job readiness programs, more residents will participate in the workforce and unemployment will decrease., and the benefits of a stronger and more By taking these steps, the District can build a more equitable economy diverse economy can be more widely realized. 715.1**

715.2 According to employment projections prepared by the ~~Department of Employment Services (DOES)~~, ~~over half~~ **61 percent** of the jobs to be created by ~~2012~~ **2026** will require a bachelor's degree or ~~better~~ **higher**. District students need to be equipped with the education needed for these jobs so they can fully participate and benefit from economic growth. 715.2

715.3 ~~In addition,~~ **The need to improve occupational skills, job training, and job placement in the city is clear. Although In 2017,** the region's ~~3.2~~ **3.8** percent unemployment rate ~~in 2005~~ was lower than other comparable regions, ~~and but~~ its job growth rate of ~~2.3~~ **1.4** percent was ~~the best~~ **one of the slowest among large metropolitan regions.in the nation. 715.3**

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- 715.4** The District itself lags in key employment indicators. Its unemployment rate has been several percentage points above the region's, and often ~~twice~~ **it is more than 50 percent as high** higher. In addition, its labor force participation rates for residents who have not graduated from college are 30 to 40 percent lower than for college graduates. Labor force participation is important because the unemployment rate is drawn from residents who are in the labor force. Together, these figures show that in 2015, 55 percent of adult residents whose highest level of educational attainment was a high school diploma were not employed, while only 18 percent of college graduates were not employed. These indicators show that the District's residents have significant differences in their employment prospects. ~~As shown in Figure 7.3, since 2000 the District has seen the peculiar trend of job growth coupled with rising unemployment.~~ 715.34
- 715.45** To address these issues, comprehensive action is needed on multiple fronts ~~to address the issue of~~ **to increase employment, particularly among residents with lower levels of educational attainment who are significantly more likely to be from historically underserved communities.** ~~long-term unemployment.~~ Continued efforts are needed to improve education, job training, and job readiness so that residents are equipped with the education and skills necessary to enter and remain in the workforce in jobs and careers that provide sufficient wages. Job readiness requires more than just reading, writing, and arithmetic skills; it also requires essential life skills, ~~so-called "soft skills"~~ such as problem-solving, interacting with others, behaving responsibly, and organizing time effectively. 715.45
- 715.56** There is also a need to recognize that many of the job opportunities potentially available to District residents are located outside ~~the city~~ **Washington, DC**. In fact, ~~nine in ten~~ **82 percent** of the new jobs ~~that are likely to be~~ created in metropolitan Washington, **DC between 2015 and 2035** ~~during the next 20 years are forecast to be in the~~ ~~will be in the~~ suburbs. Many of these jobs will be service, repair, sales, and clerical positions suitable for entry-level employees or employees without advanced degrees. Thus, an important part of improving access to employment is improving access to the region's job centers. 715.56
- 715.7** **Economic equity can be built with greater access to career pathways. This access can be achieved through skill development and education programs that are tailored to the needs of growth industries with career pathways. These pathways link advancement to experience and skill development, enabling employees to earn increased levels of compensation as they progress. Some career pathways require higher levels of educational attainment to access, while others feature opportunities for on-the-job training or progressive certifications. Over time, education programs, workforce development programs, and investments in economic equity are expected to increase labor force participation and career opportunities for**

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residents. 715.7

716 ED-4.1 Linking Education and Employment 716

716.1 ~~The District~~ **Washington, DC is making progress toward improved educational outcomes, but the District** continues to face serious challenges with respect to literacy, high dropout rates, low test scores, **truancy**, and **unsatisfactory** ~~poor~~ student performance. ~~In 2005, the District's State Education Office reported that 37 percent of the District's residents functioned at or below a third-grade reading level. Nearly 75,000 District adults lacked a high school diploma or equivalent. By 2017, the number of adults in the District lacking high school diplomas or equivalents had declined from nearly 75,000 in 2005 to just over 48,000. Many of these individuals do not possess the skills that District jobs require—as a result, non-residents acquire most local jobs and residents do not. However, job seekers without a high school diploma significantly and persistently outnumber employment opportunities at that educational level, which contributes to increased economic vulnerability among residents with the lowest levels of educational attainment.~~ Looking forward, one of the District's most significant economic development **opportunities** ~~challenges~~ will be to improve its educational system to ensure that District residents obtain the skills necessary to secure and keep good jobs, especially in high-growth occupations. ~~The city's literacy and educational deficiencies pose perhaps the greatest obstacle of all to achieving the vision of a more inclusive city.~~ 716.1

716.2 **This opportunity includes higher education, which is required for many of the best paid career pathways. In order to increase economic equity, the District and its educational stakeholders must continue to close the literacy and education gaps that have inhibited many residents from attaining higher levels of educational attainment and obtaining many of the District's plentiful good-quality jobs. 716.2**

716.23 As noted in the Educational Facilities Element of this ~~Plan~~ **plan**, the District's public schools **have implemented** ~~are in the midst of~~ extensive reforms to improve curricula and upgrade ~~the~~ learning environments. **Still, more** ~~More~~ far-reaching efforts ~~may be~~ **are** needed to create a supportive environment for learning outside the classroom, including strengthening services for families and resources for parents. Early childhood learning **and development are** ~~is also~~ critical, ensuring that the ~~city's~~ **District's** youngest residents have healthy, stimulating, and supportive ~~preschool~~ **pre-school** years. **It is also important to support adult learning and higher education programs that create pathways**

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to opportunity, including those that can empower older residents to increase their skills and education to better connect with workforce opportunities.

716.23

716.34

In addition to strengthening basic curriculum and improving teacher quality, the District will support further efforts by the ~~Board of Education~~ **DC Public Schools (DCPS)** and **public charter schools** ~~Public Charter School Boards~~ to create **career-oriented curriculum** ~~vocational and magnet schools~~. ~~Through its Career Technical Education Department~~ **As of 2017**, DCPS has ~~already~~ launched ~~12~~ **19 Career Education Programs** ~~academies~~ in ~~its senior~~ **16** high schools. The **programs** ~~academies~~ provide distinct learning experiences, in some cases through business sponsorships, and give students a fast track into their chosen career. They emphasize achievement and performance, and encourage students to actively apply their skills and talents. 716.34

716.45

Although the work environment in ~~the city~~ **Washington, DC** is perpetually changing, it appears certain that living-wage jobs in all industries will require higher skill levels in the future than they have in the past. ~~Notably absent from the list of high growth occupations are those that simply require a high school diploma or equivalent.~~ The District's share of jobs requiring ~~post-graduate~~ **postsecondary** education ~~is already triple the national average~~ **is among the highest in the nation at 70 percent, which is expected to increase to 76 percent by 2020.** ~~(9.9 percent compared to 3.3 percent).~~ Conversely, positions requiring only a high school diploma currently represent ~~41~~ **22.6** percent of the District's jobs, compared to ~~55~~ **40** percent at the national level. **These educational characteristics are similar to the region's occupational breakdown; the District's workforce development programs can also help increase residents' competitiveness for jobs regionally.** 716.45

716.56

~~It is clear that the~~ **The** District's **evolving economy** ~~"new economy"~~ **is bringing requires with it new increasingly advanced skills and knowledge, such as computer literacy, social media communications, and data analysis requirements.** Developing and implementing a 21st century workforce curriculum will be essential to meet these requirements. Although it may take years to completely close the ~~city's~~ **Washington, DC's** educational gap, the District and all of its workforce development partners are committed to a more comprehensive and integrated workforce preparation system moving forward. This will require more resources for adult education, certificate and associate programs, ~~and the a~~ **strong UDC** ~~University of the District of Columbia~~, **related workforce programs, and tighter integration and coordination with DCPS and DC public charter schools, enhanced by** public-private partnerships with colleges and universities, as well as resources for ~~our~~ K-12 schools. 716.56

*See the Educational Facilities Element for additional policies and actions related to **providing higher education** ~~educational facilities in every ward~~, including ~~the~~*

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~~desire for an in Wards 7 and 8 higher education campus.~~

716.67

Policy ED-4.1.1: Educational Improvements

Continue collaborative efforts with the ~~District of Columbia Public Schools~~ **DCPS** and DC **Public** Charter School **Board** ~~organizations~~ to improve the quality of public education, **increase graduation rates**, ~~reduce the dropout rate~~, and improve basic competency and skill levels among District youth. Every District child should **have** ~~be guaranteed~~ a safe and productive learning environment that promotes academic and personal achievement. 716.67

716.78

Policy ED-4.1.2: Career-Oriented Curriculum

~~Encourage the DC Public Schools and Public Charter Schools to continue to provide career magnet campuses, such as McKinley Technology High School and Marriott Hospitality Charter School. Engage employers to sponsor schools and school programs. These efforts may include input from industry leaders regarding curriculum design and program validation at both magnet and traditional schools. District government will advocate on behalf of its residents for expanded vocational training within its public schools.~~ 716.78

716.89

Policy ED-4.1.3: Certification and Associate Programs

Support the continued contributions of colleges and universities in providing career-building opportunities for District ~~adults~~ **residents**, including literacy and job training programs, as well as professional certificate and two-year degree programs. The District will strongly support the ~~University of the District of Columbia (UDC)~~ as a public institution of higher learning, a place of continuing education, and a ladder to career advancement for District residents. 716.89

See the Educational Facilities Element for additional policies and actions related to UDC and improving access to higher education.

716.910

Policy ED-4.1.4: Adult Education

Support adult education and workforce development, career, and technical training for unskilled adult workers of all ages. Continue to innovate with programs that blend adult education and basic skills remediation with occupational skills and work experience. ~~Increase and more effectively target resources for adult education and workforce development, vocational training, and technical training for unskilled adult workers.~~ 716.910

716.1011

Policy ED-4.1.5: Learning Outside the Classroom

Support greater opportunities for learning and student achievement outside the classroom, including tutoring and mentoring programs by the District's major employers, **nonprofits**, ~~non-profits~~, and volunteers, and a full array of after-school programs. 716.1011

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- 716.~~11~~12 ***Policy ED-4.1.6: Agency Coordination***
~~Promote~~ **Expand** collaboration between ~~the District's~~ **Washington, DC's** education, human services, juvenile justice, and workforce development agencies to better serve the ~~city's~~ **District's** youth, reduce barriers to employment, and connect ~~District~~ students with education and training opportunities that **align with career pathways** ~~lead to successful employment.~~ 716.1~~1~~2
- 716.13 ***Policy ED-4.1.7 Interjurisdictional Professional Licensing Agreements***
Encourage and support professional licensing boards/commissions to adopt interjurisdictional agreements that enable workers licensed in domestic jurisdictions other than the Washington, DC to reasonably obtain licensure to work in the District. 716.13
- 716.14 ***Policy ED-4.1.8 Recognition of International Professional Credentials***
Provide support to professional licensing boards/commissions for establishing equivalency between District licensing standards and foreign credentials. This support enables the District's professional licensing boards/commissions to more easily credential foreign workers. 716.14
- 716.~~12~~15 ***Action ED-4.1.A: Master Education Plan***
Support implementation of the Master Education Plan ~~by the~~ **and the** DC Public Schools **Strategic Plan** to improve the performance of ~~District~~ **Washington, DC** schools and the expanded capacity of **all District** ~~DC~~ youth to **successfully** join the future workforce **and access career pathways.** 716.~~12~~15
- 716.13 ~~***Action ED-4.1.B: Vocational School Development***~~
~~Support the conversion of at least five surplus DC Public School campuses to magnet or vocational high schools by 2010, with programs that prepare students for careers in the fastest growing sectors of the regional economy. **Obsolete – See Implementation Table.**~~ 716.13
- 716.~~14~~16 ***Action ED-4.1.~~C~~B: Expanded Youth Services***
Expand collaboration between Washington, DC's education, human services, juvenile justice, and workforce development agencies to better serve the District's youth, reduce barriers to employment, and connect District students with education and training opportunities that lead to career-track employment. Expand job center services to effectively serve youth customers. In addition, continue to support the Marion Barry Summer Youth Employment Program for youth and young adults up to 24 years of age.
~~Expand the youth services functions of the DC Workforce Investment Council, including the federal job corps program, the Mayor's Youth Leadership Institute and Summer Training Program, the DC Children and Youth Investment Trust Corporation, and the Passport to Work summer employment program.~~ 716.1416

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- ~~716.15~~ *Action ED-4.1.D: Youth Training Strategic Plan*
~~Develop a strategic plan to determine needs, overall direction, and critical long and short term actions for the development of youth training programs targeted to the needs of local business. **Completed – See Implementation Table.**~~ ~~716.15~~
- ~~716.16~~717 *Action ED-4.1.EC: Partnerships for Outside-the-Classroom Learning*
Track the mentoring and tutoring programs offered by the ~~city's~~ **District's** institutional and ~~non-profit~~ **nonprofit** organizations to better understand where there may be duplication and where there may be gaps. ~~716.16~~717
- 716.18 *Action ED 4.1.D: UDC Certification as a Training Provider*
Encourage UDC to be fully certified to provide workforce development training that will help more District residents gain the qualifications required to reach career pathways. 716.18
- 716.19 *Action ED 4.1.E: Expand Job Center Services for Youth*
Expand DOES job center services to effectively serve youth customers. These expanded programs will help increase youth employment and long-term participation in the labor market. 716.19
- ~~716.17~~ *Action ED-4.1.F: Retaining College and University Students Post Graduation*
~~Establish programs to retain graduating university students as employed District residents. This could include placement programs to match students with employment opportunities in the city, loan forgiveness, and other programs to encourage graduates to live and work in the city. **Obsolete – See Implementation Table.**~~ ~~716.17~~
- 717 **ED-4.2 Increasing Workforce Development Skills 717**
- 717.1 A competitive and marketable workforce is crucial to the **District's economic health** ~~economic health of the District~~. Workforce development strategies must combine public and private investment and ~~initiative~~ **initiatives** to close the occupational skills **gap** ~~“vacuum”~~ that now exists in the ~~city~~ **District**. The goal of these strategies should be to help District residents achieve economic self-sufficiency while providing a skilled labor pool that meets the needs of local employers. 717.1
- 717.2 **The District's Workforce Investment Council (WIC) is a private sector-led, 32-member board responsible for advising the Mayor, Council, and District government on the development, implementation, and continuous improvement of an integrated and effective workforce investment system. Members of the WIC include representatives from the private sector, local business representatives, government officials, organized labor, youth community groups, and organizations with workforce investment experience.**

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~~In 1999, the District of Columbia Workforce Investment Council (DCWIC) was created to improve the skill level and employability of District residents. The Council is a public-private partnership consisting of private sector businesses, government leaders, faith and community leaders, labor leaders, educational representatives, and several DC Council members. For the last six years, DCWIC has led the charge to improve career information, counseling, job search assistance, and training.~~ 717.2

717.3

In 2016, the WIC released the District's Workforce Innovation and Opportunity Act, Unified State Plan for 2016 through 2020, also known as the WIOA Plan. This plan is required by federal law, and it incorporates both strategic and operational planning to build an integrated workforce development system. The WIOA Plan details nine operational priorities that will be used to fulfill the plan's goals. They include (i) unified client intake and tracking, (ii) integrating the Temporary Assistance for Needy Families (TANF) Program into American Job Centers to improve service delivery, (iii) deploying a mobile one-stop job center, (iv) delivering improved job training, (v) forming interagency partnerships to reduce barriers to employment, (vi) improving opportunities for youth to pursue education and career goals, (vii) developing a unified business services plan, (viii) developing a vendor scorecard to help focus funding on programs with proven outcomes, and (iv) developing interconnected education and training pathways to help residents advance within high-demand sectors. ~~A range of efforts has been launched by DC WIC in the last five years, including labor market surveys, a \$20 million Lifelong Learning Initiative, \$120 million in tax increment financing to help spur job creation in District neighborhoods, a Faith and Community-Based Initiative, various Internet applications to improve case management, and new partnerships with the private sector.~~ 717.3

717.4

In addition, ~~The~~ the District ~~is also about to create~~ manages a job bank Job Opportunity Bank designed to match employers with job seekers. The DC Public Library (DCPL) is also helping residents become more employable by expanding digital literacy with technology access and training, as well as skills and development programs. ~~, with private sector funds used to provide job training programs and workforce development grants.~~ 717.34

717.45

Despite these initiatives, there is room for improvement. Some of the District's job placement and training services continue to have low success rates. ~~From the employer's perspective, there is frustration~~ Feedback from employers shows that ~~the~~ reading skills, math skills, career readiness, and computer knowledge of some residents are ~~is~~ still not at the level needed by business. ~~Some members of the business community have called for customized training to specifically address employer needs. From the resident's perspective, the administration of workforce development programs is perceived as slow and cumbersome. This is~~

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~~made more complicated by the myriad of agencies involved, the lack of effective monitoring, and the urgency of finding employment for those who seek assistance.~~ 717.45

717.56 Presently, the District's workforce development programs are administered through more than 20 federal and ~~city~~ **District** agencies, including ~~DOES the District Department of Employment Services~~ and the District Department of Human Services (DHS). Many of these programs are operated through private and ~~non-profit~~ **nonprofit** organizations. The District itself operates a network of ~~One-Stop Career~~ **American Job** Centers, each providing a range of job placement services. 717.56

717.67 The District also has created programs to support the hiring of local residents and local firms, particularly for District government contracts. For example, the First Source Program is a cooperative effort between businesses and the ~~city~~ **District** to ensure that District residents have the first opportunity to apply for and be considered for jobs (see "First Source Program" text box). In addition, DC Law ~~15-295~~ **2-156** requires contractors who perform construction and renovation work with District government assistance to initiate apprenticeship programs through the DC Apprenticeship Council. **Construction apprenticeships offer one of the most accessible career pathways to good-quality jobs.** There are also programs to eliminate discriminatory hiring practices. 717.67

717.7a **Text**~~Callout~~ Box: First Source Program ~~717.7~~
The First Source Agreement Program assures ~~city~~ **District** residents priority for new jobs created by municipal financing and development programs. It mandates that all projects funded in whole or in part with District ~~of Columbia~~ funds, or other funds which the District administers, shall provide for increased employment opportunities for District residents.

Each employer in the program must sign an agreement ensuring that:

- All job openings created are listed with **DOES; and** ~~the Department of Employment Services~~
- 51 percent of new hires are District residents.

Employers who receive other District government benefits, such as Industrial Revenue Bonds, are also covered. The program:

- Provides employment opportunities for **Washington, DC** ~~DC~~ residents;
- Provides monitoring to ensure that employers are in compliance with the law;
- Helps employers hire qualified District residents; **and**
- Assists employers in meeting contractual commitments. **717.7a**

717.8 Pursuing the District's goal ~~to of~~ **increase** ~~ing~~ access to education and

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employment²² ~~is~~ also includes ~~about~~ providing opportunities for career advancement for residents. Many of ~~the city's~~ Washington, DC's entry-level jobs have high turnover, low job security, and, ~~few benefits, and remote possibilities for advancement. While~~ However, these jobs ~~may~~ offer important initial employment opportunities. In addition, workforce development programs ~~measures~~ are ~~also~~ needed to increase ~~provide~~ opportunities for upward mobility to good-quality jobs and promotion. Some sectors, such as Workforce development programs should prepare as many residents as possible for careers in industries with strong advancement opportunities, including construction, health care, higher education, and federal employment. These programs, in concert with the District's planning and economic development efforts, help create good-quality jobs that enable more residents to earn living wages that support families and enable older adults to retire, ~~may offer more promise for advancement than others.~~ 717.8

717.9

Policy ED-4.2.1: Linking Residents to Jobs

Promote measures ~~which~~ that increase the number of District jobs held by District residents. According to the ~~2000~~ Census Bureau's Longitudinal Employer-Household Dynamics Program, ~~71~~ 67 percent of the jobs in the ~~city~~ District were held by non-residents in 2016, ~~up from 67 percent in 1990~~. While recognizing that some imbalance is inevitable due to the relatively large number of jobs and small number of residents in Washington, DC ~~the city~~, the District should work to increase the percentage of resident workers through its job training and placement programs. 717.9

717.10

Policy ED-4.2.2: Linking Job Training to Growth Occupations

Target job training, placement, and ~~vocational~~ career programs towards core and growth sectors and occupations, such as hospitality, information technology, health care, construction, home health aides, and computer user support specialists. Seek opportunities to link the pipeline of potential employees from workforce development programs to small, locally owned businesses. ~~higher education, health, construction, retail, and office support.~~ 717.10

717.11

Policy ED-4.2.3: Focus on Economically Disadvantaged Populations

Focus workforce development efforts on economically disadvantaged communities, including minority communities and particularly those with many unemployed or marginally employed residents. Assistance should also be focused on groups most in need, including persons with limited work skills, single mothers, youth leaving foster care, returning citizens ~~ex-offenders~~, and persons with limited English proficiency. 717.11

717.12

Policy ED-4.2.4: Neighborhood-Level Service Delivery

Emphasize the delivery of workforce development programs at the neighborhood level. Continue neighborhood faith-based and community-based initiatives ~~which~~ that deliver job training and placement services to unemployed and

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underemployed residents. **Consider programs that align with Business Improvement Districts' clean and safe teams.** 717.12

717.13 *Policy ED-4.2.5: Business and Labor Partnerships*
Facilitate communication and partnerships between business, labor, commercial associations, and educational institutions to improve the skill levels of the ~~District's~~ workforce, improve job training and placement resources, and improve the labor pool available to ~~the District's~~ major employers. These partnerships could result in apprenticeship programs, pre-apprenticeship programs, entrepreneurial skills training, mentorship agreements, customized on-site job training, and ~~vocational~~ **career** training. 717.13

717.14 *Policy ED-4.2.6: Entry-Level Opportunities*
Support the creation of entry-level career opportunities, particularly for lower-income youth and adults, and persons with ~~disabilities~~**special needs**. Recognize the need for complementary efforts to provide affordable child care options, transportation, counseling, and other supportive services. 717.14

717.15 *Policy ED-4.2.7: Living-Wage Jobs*
Promote the attraction and retention of living-wage jobs that provide employment opportunities for unskilled and semi-skilled workers. Use marketing strategies and **performance-based** incentives to encourage the relocation of firms with such positions to the District. 717.15

717.16 *Policy ED-4.2.8: Limited English Proficiency and Literacy*
Promote collaboration between Washington, DC's education, human services, juvenile justice, and workforce development agencies to better serve the District's English Language Learners (ELL) and Limited English Proficiency (LEP) populations, reduce barriers to employment, and connect residents with education and training opportunities that lead to successful employment. Encourage English as a Second Language (ESL) programs and literacy training for residents in need of such services in order to overcome barriers to employment. ~~English as a Second Language (ESL) programs and literacy training for residents in need of such services in order to overcome barriers to employment.~~ 717.16

717.17 *Policy ED-4.2.9: Upward Mobility*
Encourage continuing education and career advancement programs to provide opportunities for upward mobility among the District's workforce. Encourage the growth of businesses ~~which~~ **that** have been shown to provide career advancement ~~or "ladder"~~ opportunities for employees. 717.17

717.18 *Policy ED-4.2.10: Market-Responsive Programs*
Maximize the use of technology and labor market data to help District residents find suitable employment, training, and education. Examples of such applications

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include DOES publications such as ~~“25 the~~ Hot Job Report ~~Jobs”~~ and the ~~“Industry Profile Handbook.”~~ 717.18

717.19 ***Policy ED-4.2.11: Innovation in Training***
Support innovative training strategies to fill skill gaps in the local labor force, including partnerships with the private sector, industry associations, and individual government agencies. Examples of such strategies include the Cadet Training Program of the DC Fire and Emergency Medical Services Department, the DC Infrastructure Academy, and trade organization apprenticeship programs., ~~and the GSA’s pre-apprenticeship program for the Southeast Federal Center.~~ 717.19

717.20 ***Policy ED-4.2.12: Local Hiring Incentives***
Maintain requirements for resident job training and placement for projects built ~~and/or~~ operated with any form of public subsidy/loan, grant, or other incentives. ~~Promote~~ Support incentives for similar training and hiring programs for private sector facilities and businesses ~~by the private sector~~ through mechanisms such as community benefits agreements. 717.20

717.21 ***Policy ED-4.2.13: Equal Opportunity Compliance***
Enforce compliance with the DC Human Rights Act, which makes discrimination illegal based on race, color, national origin, sex, age, marital status, personal appearance, sexual orientation, gender identity or expression, family responsibilities, political affiliation, and disability. Additionally, the law makes discrimination illegal against the following traits in some areas: matriculation, family status, genetic information, source of income, place of residence or business, status as a victim of an intrafamily offense, and credit information.
~~Ensure compliance by private sector employers in meeting equal opportunity and affirmative action requirements for groups that are underrepresented in the District’s economy.~~ 717.21

717.22 ***Policy ED-4.2.14: Alternative Work Arrangements***
Encourage increased opportunities for alternative work schedules, such as part-time employment, flextime, teleworking ~~job-sharing~~, and in-home employment to accommodate the needs of working parents, and others with dependent care responsibilities or mobility limitations. 717.22

See the Land Use Element for additional policies related to home-based business.

717.23 ***Policy ED-4.2.15: Involvement of Educational Institutions***
Seek the involvement of ~~the Board of Education~~ DCPS and public charter schools, the Board of Trustees of UDC ~~the University of the District of Columbia~~, District agencies, and other educational institutions in the planning and implementation of workforce development programs. Encourage these entities to

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support the District's training efforts through their basic and adult education programs. 717.23

- 717.24** **Policy ED-4.2.16: Digital Literacy**
Support digital literacy by improving access to technology, including providing internet access and training, through the DCPL system. Increased internet access and technological skills are critical to the District's workforce development programs. Focus on the communities with the greatest need, including vulnerable populations and those with limited access to technology.
717.24
- 717.~~24~~**25** *Action ED-4.2.A: Alliances with External Organizations and Entities*
Use Memorandums of Understanding (MOUs) to develop alliances, networks, and other relationship building strategies that enhance the success of ~~the District's~~ workforce development initiatives. Such MOUs currently exist with organizations like the **American Federation of Labor and Congress of Industrial Organizations (AFL/CIO), Washington Metropolitan Transit Authority (WMATA), and PEPCO** ~~the Washington Post~~. 717.~~24~~**25**
- 717.~~25~~**26** *Action ED-4.2.B: Labor Market Monitoring*
Maintain accurate data on the job market to better connect job seekers with job opportunities in high-growth, high-demand sectors. Monthly data on employment, occupation, and income should continue to be compiled by **DOES**. ~~the Department of Employment Services~~. 717.~~25~~**26**
- 717.~~26~~**27** *Action ED-4.2.C: Employer Needs Assessments*
Conduct annual surveys of employer needs, particularly in high-growth industries. Develop new workforce development services and strategies to respond to these changing needs. 717.~~26~~**27**
- 717.~~27~~**28** *Action ED-4.2.D: Outreach to Residents and Employers*
~~Improve the distribution of~~ **Distribute** information on the District's job training, skill enhancement, and job placement programs, particularly in communities with high rates of unemployment. Ensure that outreach strategies provide for persons with limited reading proficiency. 717.~~27~~**28**
- 717.~~28~~**29** *Action ED-4.2.E: Workforce Investment and Opportunity Act (WIOA)*
Continue implementation of the WIOA, including programs for job training and placement systems. Measures to improve the coordination of job training programs that strengthen the workforce development system and more effectively target resources should be identified and implemented. ~~Continue implementation of the Workforce Investment Act, including programs for coordinated, customer-friendly, locally-driven job training and placement systems. Measures to improve the coordination of job training programs to avoid duplication of efforts and more effectively target District resources should be~~

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~~identified and implemented.~~ 717.28~~29~~

- 717.29~~30~~ *Action ED-4.2.F: Training Program Tracking*
Track the effectiveness of job training programs. Use assessments of such programs to modify and improve them. 717.29~~30~~
- 717.30~~31~~ *Action ED-4.2.G: ~~Good~~ ~~Best~~ Practices ~~Analysis~~ ~~Report~~*
Assess good practices ~~Conduct a best practices analysis of national models~~ for success in job training and readiness, and use the findings ~~results~~ to evaluate and improve the District's programs. Publish a good practices guide to hiring a diverse, inclusive workforce based on successful corporate and nonprofit models. 717.30~~31~~
- 717.31~~32~~ *Action ED-4.2.H: Incentive Programs*
Continue to offer incentive-based programs that encourage District businesses to hire job seekers who are disadvantaged and have barriers to employment. ~~Identify possible new or strengthened economic incentives that encourage District businesses to hire jobseekers that are disadvantaged and hard-to-serve, similar to the Work Opportunity, Welfare-to-Work, Empowerment Zone, and Renewal Community Employment tax credit programs. The feasibility of a community investment tax reduction should be explored for firms that establish major job training or retraining programs.~~ 717.31~~32~~
- 717.33 *Action ED-4.2.I: Wages and Working Conditions*
Continue advancing programs, including apprenticeships and employer training, that help increase wages for lower-income residents while improving working conditions. 717.33
- 717.34 *Action ED-4.2.J: Employment Barriers*
Continue to study the capacity, need, and participation in programs that reduce barriers to employment for disadvantaged populations such as returning citizens and residents who speak English as a second language. 717.34
- 717.35 *Action ED-4.2.K: Improved Training*
Provide on-the-job training, customized training, incumbent worker training, and cohort-based training to promote existing employees, which produces new entry-level openings. 717.35
- 717.36 *Action ED-4.2.L: Increase Access to On-The-Job Training and Workforce Development*
Assess opportunities to work with government or private sector stakeholders to increase access to on-the-job training and workforce development through internships, fellowships, and apprenticeships. The assessment should prioritize opportunities for youth and young adults, as well as older adults

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navigating career changes that increase economic equity by establishing career pathways. 717.36

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Action ED-4.2.M: DC Housing Authority Employment Opportunities

Explore opportunities to strengthen and expand employment opportunities for low-income and very low-income residents with the DC Housing Authority and its contractors through the federal Section 3 program. 717.37

718

ED-4.3 Getting to Work 718

718.1

In ~~2000~~ 2016, ~~28~~ 35 percent of all employed District residents worked in the suburbs. This percentage is fairly typical of large, older central cities. ~~The~~ ~~the~~ comparable 2014 ~~2000~~-figures for Boston, Baltimore, San Francisco, and Philadelphia were ~~32~~46, ~~38~~53, ~~23~~40, and ~~25~~39 percent, respectively. However, the figure for the District was 22 percent in 1990, indicating fairly rapid growth in the number of reverse commuters in recent years. ~~Despite~~ ~~The District's best efforts~~ works diligently to connect residents ~~to DC~~ with District jobs, which produces numerous benefits for individuals and the District. Fortunately, Washington, DC ~~the city~~ is part of a strong regional economy, and its residents are part of a regional labor pool where many find employment opportunities. For some occupations, Most of the entry-level and semi-skilled jobs ~~in this economy are located~~ in the Maryland and Virginia suburbs can be difficult to reach. 718.1

718.2

The District's location at the center of the regional transportation network and Metrorail system provides good access to rail-served job centers like Bethesda and Rosslyn. However, there is limited transit service to some significant suburban employment centers, which increases financial pressure on lower-income residents who have less affordable and reliable access to employment in those areas. ~~there are few options other than driving or long bus commutes to reach the employment centers with the fastest projected growth rates places like Reston and Fort Belvoir, Virginia, or National Harbor Gaithersburg and Konterra (Beltsville) White Oak, Maryland.~~ Even within the ~~city~~ District, there are challenges to commuting resulting from crowded Metrorail trains and buses, congested roads, and costly parking for those who cannot conveniently use transit. 718.2

718.3

The extension of Metrorail to Tysons ~~Corner~~ and Dulles Airport will improve transit access to the region's job centers. ~~, but its completion is many years away. Shorter term and less expensive~~ Other solutions to improve access to regional employment centers that are not served by Metro include, including ride-matching on-demand ride-hailing services, carpooling, and ~~vanpooling programs bus routes and~~ shuttles. ~~to the region's job centers; and additional reverse commuter bus routes, will be needed.~~ Such solutions must be forged through regional agreements and partnerships, working through entities such as the Greater Washington Board of Trade, WMATA, the DC Workforce Investment

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Council, and the Metropolitan Washington Council of Governments. 718.3

718.4 **Transit-accessible housing matching the needs of the workforce is imperative. As Washington, DC continues growing, its housing market is becoming more complex, characterized by increased segmentation of the market rate and affordable housing stock. As a consequence, this increased complexity necessitates closer alignment between economic development planning, housing planning, and transportation planning to ensure that growth is equitable and sustainable. 718.4**

718.45 ***Policy ED-4.3.1: Transportation Access to District Jobs***
Improve access to jobs for ~~District~~ residents through sustained investments in the ~~city's~~ transportation system, particularly transit improvements between neighborhoods with high unemployment rates and the **District's** ~~city's~~ major employment centers. 718.45

718.56 ***Policy ED-4.3.2: Links to Regional Job Centers***
Continue to seek inter-jurisdictional transportation solutions to improve access between the District's neighborhoods and existing and emerging job centers in Maryland and Virginia. These solutions should include a balance between transit improvements and **roadway capacity** ~~highway~~ improvements. They should also include transportation **demand** ~~systems~~ management initiatives, such as ~~shuttles~~, ridesharing, and vanpooling. 718.56

718.67 ***Policy ED-4.3.3: Regional Job Connections***
Support regional efforts to reduce unemployment, including partnerships with the region's major employers and programs that link District residents to jobs in fast-growing suburban employment centers. 718.67

718.78 ***Policy ED-4.3.4: Regional Access to Central Washington***
Provide sustained investments to the District's transportation network to ensure that that both District and regional workers can access the growing employment areas of Central Washington and the Anacostia Waterfront. 718.78

718.89 ***Action ED-4.3.A: Regional Initiatives***
Actively participate in **regional employment initiatives** ~~the Greater Washington Regional Jobs, Bridges to Work, and similar partnerships~~ that link suburban employers with ~~city~~ **District**-based providers of job training and placement, transportation, child care, and related support services. 718.89

See the Transportation Element for additional policies and actions on mobility, access to employment, and commuting to jobs.

718.10 ***Action ED-4.3.B: Increasing Access to Employment***

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Pursue opportunities to develop high-capacity transit corridors that connect low-income communities to major employment areas, both in the District and region. 718.10

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Action ED-4.3.C: Housing a Thriving Workforce

Study how job growth and the District's economic strategy will affect demand for market rate and affordable housing to inform the development of housing strategies that can meet the housing needs of a thriving workforce. 718.11

718.12

Action ED-4.3.D: Align Housing and Transportation Planning Regionally

Explore opportunities to align the District's planning and policies for housing locations and employment access with regional initiatives, such as the Metropolitan Washington Council of Government's Visualize 2045 plan. 718.12